Daily Report

Latin America

FBIS-LAT-91-222
Monday
18 November 1991

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FBIS-LAT-91-222 *18 November 1991*

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Agreement on Joint Antidrug Action Signed

PY1611194691 Asuncion ABC COLOR in Spanish 16 Nov 91 p 27

[Text] Argentine Interior Minister Jose Luis Manzano has explained the scope of the joint antidrug agreement signed by the Southern Cone countries.

"Basically a close coordination among the security and police forces of each country will be established to carry out joint operations and common inspections on the border," Manzano said.

"We must take into account that a drug-trafficking organization produces drugs in a given country, takes the drugs to another country, and from there sends the drugs to European or U.S. markets. This practice affects five or six countries, and so this evil must be attacked jointly. This is what was resolved at this meeting," he added.

Brazilian Federal Police Deputy Chief Oscar Camargo Costa Silo explained that his country's concern regarding Paraguay is the trafficking of marijuana and stolen vehicles that are brought from Brazil and vice versa.

"Many automobiles are stolen and exchanged for drugs in other South American countries, among them Paraguay," he said.

He added that "the rate of robbery and trafficking of vehicles toward Paraguay has dropped because we have waged a great judicial war against these criminals. The flow of vehicles stolen in Sao Paulo and Rio de Janeiro and sent to Bolivia" has been great.

Moreover, Bolivian Social Defense legal adviser Rene Torres, who represented General Edwin Camacho Pereda, head of Bolivian antidrug forces, stated that the realization of international meetings of this nature is of vital importance.

Regarding the agreement signed by the conference participants, Torres said: "The efforts we are making in fighting the trafficking and consumption of drugs are undoubted. They are isolated efforts but important to fight drug trafficking."

Computer Network Planned

PY1611145291 Asuncion ABC COLOR in Spanish 16 Nov 91 p 27

[Text] The creation of a computer network for data exchange that will connect the Southern Cone countries in order to seek better ways to fight drug trafficking and the accomplishment of a joint task between the police and security forces of the region's nations are agreements that were reached by Argentine, Brazilian, Uruguayan, Bolivian, Paraguayan, and Chilean representatives during the First Conference of Southern Cone Operational Forces Against the Illicit Trafficking of Drugs, which was held in our capital. Argentine Interior Minister Jose Luis Manzano participated in the conference's closing ceremony.

The computer network, which will connect the Southern Cone's six countries, will be based in Argentina and will begin operating in about 90 days, according to Alberto Lestelle, Argentine secretary of planning and coordination for drug abuse prevention and the antinarcotics struggle.

"This has to begin with real actions and not only must the coordination of operations be achieved, but an exchange of information to make security organizations operational in terms of deploying intelligence sources more effectively must also be achieved," Lestelle said as he explained some of the main points contained in the alliance between the countries.

"This new struggle will start with the computer network, which will give it the organization it needs," he stated.

Argentine Interior Minister Jose Luis Manzano, our country's Justice and Labor Minister Hugo Estigarribia, and other authorities participated in the closing ceremony.

High-ranking chiefs of antinarcotics organizations of the Southern Cone countries participated in the conference. Lestelle himself; General Edwin Camacho Pereda, chief of Bolivia's antinarcotics forces; Oscar Camargo Costa Silo, deputy director general of Brazil's Federal Police; Police Commissioner Saul Chaveria, intelligence chief of Uruguay's police; and Lieutenant Colonel Jaime Rieutord, deputy chief of the Drug Department of Chile's Carabineros participated in the conference.

General Marcial Samaniego, Commissioner Fulvio Ramon Aldama, and other special agents participated in the name of our country.

* Venezuelan-Brazilian Border Conditions Examined

* Minister Tours Region

92SM0084A Caracas EL DIARIO DE CARACAS in Spanish 13 Oct 91 p 25

[Report by Elba Romero Lopez and Victor Diaz Mireles]

[Text] Although people in Venezuela have been talking for many years about the need to settle the border regions, there has been no evidence of so much as an attempt to put this policy into practice. Yet such a policy is especially important in a country that has ongoing border disputes with all of its neighbors.

This attitude contrasts with the border development and territorial integrity program advanced by Brazil, which involves military and civilian occupation. The program, known as Project Calha Norte, covers the entire border with Colombia, Venezuela, Guyana, Surinam, and French Guiana, and has been in effect since August 1986.

The Brazilian project, which was slated to end in 1990, was aimed at developing 14 percent of the national territory and 24 percent of the Amazon, north of the Solimoes and Amazon Rivers. It covers a strip of territory 6,500 km long and 150 km wide.

The objectives of the program include colonizing and strengthening the military presence in these areas. The areas along the Brazilian border with Venezuela are:

- A 900-km stretch along the border, occupied by the Yanomamii Indians.

The area of Alto de Rio Negro, on the border with Venezuela and Colombia, known as "Cabeza de Carrocho." Emphasis is being given to San Gabriel de Cachocira, Iaurete, Querari, San Joaquin, Maturaca, and Icana.

The area of Roraima, especially Boa Vista, BV-8, Normandia, Bon Fim, and Serra Do Sol.

The development carried out by Brazil under the Calha Norte Project has ended up serving some of the needs of Venezuelans living in Santa Elena de Uairen and other towns near the border. They go to BV-8 to obtain staples such as sugar, since they are so far from developed centers in this country that they often run short of these goods and must cross the border to buy food. In doing so, they frequently encounter difficulties with the Brazilian authorities.

In Debt to the National Armed Forces

The negative consequences of abandoning the border regions, to which no one seems to pay any attention (or where no one wants to look), become especially evident from the air, where one can observe the vast territory of the border with Guyana and Brazil. There spaciousness and loneliness are the soldier's constant companions.

During the inspection tour of the area conducted by the minister of defense, Major General Fernando Ochoa Antich, the military bases of this region also provided evidence of the legislative foot-dragging of a congress that has to go into extra sessions every year. During those extended sessions the legislators, now under pressure, vote on and pass laws that they could not study during the regular session because they spent their time either waiting for a quorum (as the issues to be dealt with did not serve partisan interests) or investigating scandals and accusations by one politician against another.

Meanwhile, laws on security and defense, for example, languish in committee as legislators wait for the right moment to pass laws and take belated action.

In contrast to the development achieved by Brazil, in these remote areas along Venezuela's borders national sovereignty is exercised solely by the National Armed Forces (FAN), through soldiers of the National Guard. These troops are sent to distant postings and then forgotten by congressmen whose statistical caprices determine their living conditions.

On the Esequibo

Inexplicably, the conditions and shortages of the border areas grow worse as one progresses further along the border. Along the Esequibo River line there are about 20 border checkpoints where there is an obvious contrast with the strong ones (in the literal sense of the word) located closer to cities where economic activity allows for a higher standard of living.

Thus, in Tumeremo, San Francisco de Luepa, and Anacoco—even within the limits of their needs—the facilities appear to be satisfactory. The situation is completely different at the San Juan de Venamo base, on the banks of the river that bears the same name, which lies between us and the area of reclamation.

The exceedingly bad conditions are immediately apparent: The structure that provides shelter for both soldiers and a meager supply of weaponry is made of tree bark. This fact gave Minister Ochoa Antich further incentive to continue demanding more funding for the borders.

"We have asked for an increase in the budget allocations so that we can improve the border areas. We are focusing primarily on the entire border with Brazil and Guyana, and the border with Colombia also requires special attention from the Armed Forces because of the problems that are occurring there. (...) These funds must be approved by Congress...."

Listening to him and witnessing the state of the region where our sovereignty is being defended, it was impossible to avoid an offensive comparison between the monthly salary of 110,000 bolivares earned so easily by those who will make the final decision as to whether or not improvements are made to these border posts, and the pay earned by those who really do have a sense of patriotism and devotion.

Like the other military bases, San Juan de Venamo receives its food supplies by air every two weeks. The young soldiers supplement these provisions by raising chickens and growing bananas, celery, and manioc root, among other products. In addition to faith in God, the military order is: "A man cannot give up, even when he is carrying in his arms the corpse of his most cherished dream."

* Problems Noted

92SM0084B Caracas EL DIARIO DE CARACAS in Spanish 14 Oct 91 p 35

[Report by Elba Romero Lopez and Victor Diaz Mireles]

[Text] Some time ago, the Permanent Defense Committee conducted a survey to determine the problems of the areas bordering Colombia and Brazil. The study was done by section in the states of Apure, Federal Amazon Territory, and Bolivar, and many vital problems were discovered.

In the section encompassing the San Simon de Cocuy-Ikabaru area (Federal Amazon Territory and Bolivar State), the problems included the following:

- Fragile ecosystem which is difficult to manage and about which very little is known scientifically, with serious limitations on the development of any productive activity.

Largely Indian population, distributed along the banks of the rivers not subject to flooding.

Much of this population is jungle-dwelling, practicing rotating nomadism. Its ethnic diversity "presents a serious obstacle to its integration."

Thus far no clearly defined or coherent action has been taken to integrate this community gradually and adequately into national life.

The presence of foreign religious groups has contributed significantly to a transculturation process in this community because of their influence on the culture, social organization, etc.

The transculturated population is involved in mining (especially gold and diamonds), forestry, tourism, and recreation.

The Indians' activities are oriented toward supplying themselves with food and engaging in trade to obtain fuel, outboard motors, and consumer items.

"Garimpeiros": From Brazil to Venezuela

Presumably, this survey of the problems plaguing the border region was aimed at finding effective solutions to those problems, but quite some time has passed since it was completed, and it is apparent that this diagnosis conducted by the advisers of the committee is the extent of the action taken.

At least this is the conclusion that can be drawn from observing the vast region of the Gran Sabana [great savannah] during the inspection visit made by Defense Minister Fernando Ochoa Antich to the border checkpoints.

The municipal jurisdiction of Gran Sabana, whose capital is Santa Elena de Uairen, covers 46,000 square kilometers, but it has only 8,000 inhabitants. Altogether, Guyana covers 421,100 square kilometers (46 percent of the national territory), but only 4 percent of the Venezuelan population lives there.

From the air, the Gran Sabana is quite a spectacle, with its monuments of quartz and sandstone (known as "tepuyes") which are distributed throughout the broad Guyana Shield. On the ground, behind all that beauty lies a host of problems and deprivations.

Upon his arrival at Santa Elena, the first official Minister Ochoa Antich met with GA [expansion not given] Prefect (retired) Daniel Gamez Calcano. Gamez confirmed what the local dailies have been complaining about: "The MTC [Ministry of Transportation and Communications] does not work in Santa Elena," stated the publication EL TEPUY that same day.

The prefect talked of the "urgent need" to build highways to facilitate access to the interior of the municipal jurisdiction so that the Indians can be given the services they need. The dailies in Ciudad Bolivar, coincidentally, published reports on the Brazilian Government's campaign to expel the "garimpeiros" [Brazilian prospectors who invade Venezuelan territory] from the lands of the Yanomami Indians.

The "Free Jungle" campaign encompasses the entire state of Roraima in northern Brazil, which borders on Venezuela. There the authorities of that country have expelled 3,568 garimpeiros, who are accused of preventing the Indians from obtaining food by polluting the rivers with mercury and scaring animals with their airplanes.

As is the case with the drug traffickers along the Venezuelan-Colombian border, the actions taken by the Brazilian Government against the garimpeiros have forced them to seek refuge in Bolivar State. The authorities of the neighboring country believe that some 1,500 of their Yanomami Indians (out of a total of 10,000) have died since 1987 as a result of the depredations of the garimpeiros.

What Sovereignty?

In addition to the petitions presented by the prefect of Santa Elena, there are those of the FAN [National Armed Forces] troops assigned to Fort Roraima, where the motorized cavalry squadron is headquartered. Also stationed in this city is the 80th Detachment of the National Guard.

The military officials charged with guarding the border told the defense minister that their most urgent problems are the lack of air support, the problems with illegal miners, and the fact that they must resign themselves to conducting 12- to 14-hour patrols on foot.

Nevertheless, they contend that they have brought about a significant reduction in the activities of the garimpeiros, which is a little difficult to believe if one considers all of the shortages of materiel and logistical support suffered by border checkpoints in general, plus the vast expanse of territory they are responsible for patrolling.

This is the reality in a country that limits itself to the "historical aspiration" of recovering the territories lost in border disputes with its neighbors, without daring to exercise full sovereignty in the territories it still has by maintaining an active presence on the borders. That is the view in the Gran Sabana, a kind of "no man's land."

* Development Recommended

92SM0084C Caracas EL DIARIO DE CARACAS in Spanish 16 Oct 91 p 30

[Report by Elba Romero Lopez and Victor Diaz Mireles]

[Text] Venezuela's border with Brazil is 1,495 km long (Bolivar State and Federal Amazon Territory). The authorities of the neighboring country have an active military presence there, which translates into Army and Air Force units stationed at Cocuy, Maturaca, Surucucu, Auraria, Erico, and BV-8.

This Brazilian military presence along the border with Venezuela was spurred by the Calha Norte project of 1986, which was initially conceived to promote the integration of the national territory. With respect to the northern border, the goal was to reduce the area's vulnerability in the event of a conflict between Venezuela and Guyana or the penetration of guerrillas and drug traffickers from Colombia.

In addition to stepping up military activity, the Federative Republic of Brazil managed to reaffirm its sovereignty over most of the Amazon Basin by reinforcing its consulates all along the border, guaranteeing internal and external security in that region.

At the same time, clearly defined objectives were carried out to exploit the region's mineral wealth. With all of these initiatives, it is clear that the development of the area is of strategic importance to Brazil. Its medium-term objective is to gain access to the Atlantic, and particularly to the Caribbean.

Problems Foreseen

From the moment the Calha Norte Project began, the National Armed Forces [FAN] took it upon themselves to study it. The military emphasized the negative repercussions this Brazilian development policy could have for our country.

On that occasion the Congress of the Republic was duly informed, through the permanent defense committees, of the results of the study conducted by the appropriate office, and of the administrative measures that the situation demanded.

In this regard, the FAN recommended that the Venezuelan Government respond with a border development plan aimed at counteracting the settlement programs initiated by the neighboring country along its borders.

When this report was submitted, officials also warned of the limitations faced by the FAN in guarding and patrolling the border, in terms of the lack of personnel and logistical support.

Nevertheless, it was also reported that independently of these limitations, the Staff of the Armed Forces had already drawn up ambitious plans to carry out the effective occupation of the southern border region, "in order to guarantee national sovereignty and minimize the negative effects stemming from the implementation of Project Calha Norte."

Among the problems diagnosed by the Ministry of Defense on that occasion, foremost was the penetration of Brazilian miners as a direct consequence of the implementation of Project Calha Norte.

It was said at the time that the irrational exploitation of Venezuelan mining resources by "garimpeiros" forced to move into our national territory since the Brazilian development initiative was begun, was causing serious social problems and incalculable damage to the ecosystem.

In view of the seriousness of the problem and the need to come up with an immediate response, the FAN formed a new military unit at the hamlet known as El Platanal, in the Federal Amazon Territory. An operational base of the Armed Forces of National Cooperation was installed there.

Unmet Demands

Altogether, the Venezuelan military presence along the border with Brazil consists of five border checkpoints in Bolivar State and seven in the Federal Amazon Territory.

In Bolivar there is one unit of the Army, the 512th Cavalry Squadron, and the National Guard's 80th Detachment, headquartered in Santa Elena de Uairen.

The 80th Detachment of the National Guard has jurisdiction over 90 border posts located in the states of Bolivar, Delta Amacuro, and Monagas, and it is also responsible for dealing with environmental protection matters in the state of Guarico. It should be noted that most of the border checkpoints along the Brazilian border in Bolivar and Amazon are post commands and platoon commands of the Armed Forces of National Cooperation, with the exception of the army unit and a naval base located at San Fernando de Atabapo.

Several years after the timely report was submitted, outlining the problems that could be expected to arise from the implementation of Brazil's Calha Norte Project, and in contrast to the progress achieved by Brazil in its plan to integrate its territory and strengthen its northern border through settlements, in Venezuela the situation has not changed at all in terms of counteracting that policy.

The only changes that have taken place have been for the worse: The shortage of resources suffered by the FAN at that time in guarding the borders has grown worse, and the budget of 78 billion bolivares requested by the Defense Ministry for 1992 was cut to 46 billion (only 5.7 percent of the overall budget). As for the other problems along the border, one example suffices to describe the situation: In Santa Elena de Uairen, the prefecture has no headquarters.

Cuba

Troop Withdrawal Talks With Soviet Union Begin

Delegation Members Reported

FL1511215891 Havana Tele Rebelde Network in Spanish 1800 GMT 15 Nov 91

[Text] Official talks concerning the presence in Cuba of a Soviet military brigade began today in Havana. Special envoy Vyacheslav Aleksandrovich Ustinov heads the Soviet delegation. Additional members of the delegation include, among other high ranking chiefs and officers of the USSR Armed Forces: Colonel General Guerman Aleksandrovich Burutin, first deputy chief of the Main Operations Directorate of the Army General Staff; Vasiliy Petrovich Gromov, first deputy chief of the Latin American Administration of the Soviet Foreign Ministry; and Major General Pavel Nikolayevich Andreyev, deputy chief of the Main Operations Directorate of the Army General Staff.

The Cuban delegation is headed by Alcibiades Hidalgo, vice foreign minister; Division General Sergio del Valle Jimenez; Colonel Jaime Salas Silva, chief of the Ministry of the Revolutionary Armed Forces [MINFAR] Directorate; and other high ranking MINFAR officers and officials of the Cuban Foreign Ministry. The Soviet-Cuban talks will continue for several days.

Castro Links Withdrawal, Base

PA1611205191 Havana Radio Havana Cuba in Spanish 1400 GMT 16 Nov 91

[Text] Cuban and Soviet delegations have begun talks concerning the Soviet military presence in Cuba.

The Soviet delegation is headed by Special Envoy Vyacheslav Aleksandrovic Ustinov and the Cuban delegation is headed by Alcibiades Hidalgo, first vice foreign minister.

On 14 November, Cuban President Fidel Castro told the media that his government is opposed to the withdrawal of Soviet troops as long as the United States holds Guantanamo Naval Base by force. It does not make sense for our friends to go while our enemies remain against the will of our people, the Cuban chief of state said.

Soviet Admiral Departs, Terms Talks 'Beneficial'

FL1511211691 Havana Radio Progreso Network in Spanish 1725 GMT 15 Nov 91

[Text] Upon his departure, Soviet Fleet Admiral Vladimir Nikolayvich Chernavin, head of the military delegation that visited Cuba, expressed gratitude for the friendship and hospitality rendered during his visit. The commander in chief of the Soviet Navy said that his meetings with Revolutionary Armed Forces leaders and Raul Castro, in which they discussed military cooperation, were beneficial.

Rear Admiral Pedro Perez Betancourt, chief of the Cuban Revolutionary Navy, bid the deputy defense minister farewell at the Jose Marti International Airport.

Castro Supports Ambassador Alarcon's Decision

FL1511232991 Havana Tele Rebelde Network in Spanish 1800 GMT 15 Nov 91

[Text] During a reception in honor of the Asturian delegation that is visiting Cuba, Commander in Chief Fidel Castro answered a question regarding the recent decision adopted by Cuba at the United Nations regarding the U.S. blockade against Cuba. Castro talked about the Cuban position presented by Ricardo Alarcon de Quesada, Cuban deputy foreign minister and ambassador to the United Nations.

[Begin Castro recording] We all know the huge pressures exerted by the United States, tremendous pressure, exerted on all the countries. The United States is doing this at a time when it is very strong because it is the center of a unipolar world and is drunk with arrogance. The United States speaks to the other peoples in very strong language. The economic situation confronted by tens and tens of countries is very serious. Those countries are just waiting for loans from the World Bank or the IMF. I can tell you that many countries were willing to side with us during these debates. The battle was waged. A great battle was waged. We have never viewed this battle [word indistinct] as a one-day, one-month, or one-year battle. We view this as a long battle and we follow our strategy accordingly.

Comrade Alarcon had the authority to speak and propose what he felt was most convenient, particularly in light of the consideration that all those who support us and who are our friends, deserve. There is no doubt that bringing this matter up, at this time, for a broad discussion could have been harmful for many countries that support us. Cuba's decision took into consideration the real and enormous pressures being exerted by the United States, and special consideration was given to the friends who support us. Since it is a long battle and not a one-day battle, and since we were not planning on solving this problem in a month or a few months, we decided to adopt the decision we are talking about and which I believe is the most appropriate and intelligent. As a matter of fact, I consider it a successful decision. What happened at the United Nations regarding this blockade issue is a great success. It has unleashed a growing wave of solidarity throughout the world, in many places. That wave will not get smaller; instead, it will grow. [end recording]

Castro Interviewed on Relations With Asturias

FL1511225091 Havana Tele Rebelde Network in Spanish 1231 GMT 15 Nov 91

[Report on interview with Commander in Chief Fidel Castro by unidentified correspondents at a reception honoring the Asturian delegation on 14 November; place not given—recorded]

[Text] On the evening of 14 November, the Cuban Government held a reception for the delegation which is visiting from the Asturian Principality. Commander in Chief Fidel Castro Ruz, president of the Council of State and Ministers of Cuba, hosted the reception in honor of Asturian President Juan Luis Rodriguez Vigil; Laura Gonzalez, president of the Asturian Principality General Council; and other members of their delegation. The meeting promoted the exchange of opinions on various international issues. At the end of the reception, Commander in Chief Fidel Castro agreed to answer questions on various issues, including his opinion of the delegation's visit to Cuba.

[Begin Castro recording] I have had the opportunity of greeting tens, hundreds of Asturians; Asturians from Asturias. I would ask them: You are from Asturias and not from Madrid, right? I would ask a lot of tourists the same thing. I have spoken to very intelligent, capable, and experienced businessmen and government officials, and the truth is that one cannot have a better impression than the one I get after each of these contacts. I say this honestly and sincerely. I have felt and feel very good. We cannot yet discuss agreements, but the businessmen have already [words indistinct] spoken of all kinds of economic possibilities. I have spoken to some of them on forms of cooperation and investment. We have even talked about some of their investments here and some of our investments over there. We have some technologies. I am also studying the Asturian economic situation and its production. I believe that the production of milk has increased in Asturias. Now there are new situations derived from the entry into the common market. Farmers are trying to decide what to do with the milk, the alternatives available so that their production will not suffer. I believe that in that field there are great possibilities for cooperation. We have talked about all this, and to me it seems easy to talk and negotiate with the Asturians. There are many fields in which this cooperation is possible, especially in the exchange of experience, above all, what we can learn from you.

I have talked with some of the mayors about city projects. They have even explained to me the garbage collection system they have and the use of organic material as a source of energy, first of all to prevent contamination and, secondly, as a source of energy. One mayor was telling me that they have a plant that can produce 4,000 kilowatts per hour and it operates off organic waste. I asked him if they use organic material in their agriculture and he responded that they do not because it would cost too much to transport the material to those sites and, besides, the Asturian lands are very rich in organic material. As livestock farming is one of their main agricultural sources, they have a large quantity of organic fertilizers; therefore, they do not need more. But in our case, a practice and technology of this type would be of help in lands that may need organic material.

Who knows how many things we can learn. The efforts made by your people throughout the years is noteworthy. You have made progress; it is evident, it can be seen. That is why these contacts are useful. To us it is even more useful because you have certain technological advances that we do not have. We have some of our own technological developments in some fields that, undoubtedly, could be useful to your principality and other Spanish communities.

We have made much progress in the field of biotechnology, in the pharmaceutical industry, in the production of technologically advanced medical equipment, and I believe that these are some fields in which we can make a contribution. I believe the Asturians have shortages of health care personnel in certain fields; they talked to me about this also. This shows the great possibilities for exchange and cooperation between the two countries, which means the same as developing relations with the rest of Spain. [end recording]

In another segment of his exchange, Commander in Chief Fidel Castro consented to answer some questions from the accredited press on the activities of the Asturian delegation during its visit to Cuba. When describing the current visit by Asturian President Rodriguez Vigil and the recent visit by Galician President Fraga, Castro said:

[Begin Castro recording] There is no doubt that this visit, as well as Fraga's visit, can not be viewed differently. Fraga came as a member of a delegation from the autonomous region, as you would call it, of Galicia. He came as president of the Galician Government. In each region titles are different. In Barcelona they are called in one thing, in Galicia another, and in Asturia yet another. Fraga's visit, as head of a delegation, was not only to reestablish contacts between a region of Spain and the large number of Galician descendants who live here, but it also contributed to the development of relations with the rest of Spain. We received him as a representative of Galicia and as a representative of Spain. His visit was very useful and positive. It was a pluralist visit. In one case it was a Spanish political party. In this case, the president belongs to the ruling party.

Our main interest was for each of the delegations to begin with the best treatment we could give them. We cannot take sides, nor can we become involved in the internal political affairs of Spain or its political parties. This truly teaches us how to talk, if we are going to speak of a world that is not uni-polar, but a world of peace.

Just last night I met with a group of Galician mayors. The subject is limitless because we have the estuaries, the

artificial production of mussels, of turbot, who knows what else. Fishery problems, ocean problems, industrial problems, social problems.

A group came, almost all of them were members of the other party [not further identified]. Afterwards, I met with many mayors from the Spanish Socialist Workers Party [PSOE]. I did not ask either. When I meet with Galicians or Asturians I should not ask what party they belong to. I am very happy that our relations are so friendly, very informal, independent of ideology. The relations are also very respectful. These visits has been very constructive. We did not discuss any political subjects pertinent to the nation.

The Spanish unity pleases me, even with their plurality, their independence. You know that in today's world there are certain tendencies toward disintegration in many parts of the world. I was not able to detect the smallest sign of a dissident spirit in any of the delegations which have come, independent of the party they may belong to. I observed a spirit of cooperation among all the communities, of unity among the community.

Let me tell you that a few days ago, as a result of the fair, I had the privilege of meeting with a large group of Basque businessmen, officials, and representatives. So, within a very short period of time, I have been able to meet with representatives from three different Spanish regions, of all the parties and all sectors, and I did not see any signs of dissension or conflict of any kind. This really pleased me. This allows us to get to know Spain a little better. It is the only way to learn that the Spanish people are alike, yet different in their customs and other things. That is very nice for a country. This does not make a country, nation, or state poorer. Nowadays those terms are difficult to use; whether you are talking about nationality, ethnic background, or region. I have observed that they generally talk about the state.

For me, this experience has been very interesting. We can say that all these experiences have contributed to the development of resolutions. I could say the same things about the Fraga delegation, the group of mayors who visited us recently. I believe they came as tourists; I do not remember exactly why they came.

[Unidentified speaker] They came as tourists.

[Castro] And the Basque group who attended the reception... [corrects himself] the fair and the government representatives. Even a minister was among them. In this case they were members of the ruling party. Rosa Diaz, minister of trade and three other things. She came from the Basque region. In only a few days I have had this privilege. I have learned so much about everything and all that I have learned has been very interesting. I think that, above all, these visits contribute to strengthening relations. I hope delegations from the different Spanish regions will continue to come. Everyone will be welcomed with the same warmth and the same hospitality. I personally will do everything I can to meet with them, when time permits. It is gratifying and a pleasure. I believe that these kinds of associations are of enormous value; they are not merely formal associations. They become informal, like among family members. And well, it is a gratifying way to commemorate the very famous fifth centennial. [end recording]

Attends Asturian Festivity

FL1811135091 Havana Tele Rebelde Network in Spanish 1200 GMT 18 Nov 91

[Excerpt] The Asturian delegation visiting Cuba hosted this Sunday a traditional Asturian winetasting festivity for Cubans of Asturian origin and their families in Cuba.

Juan Luis Rodriguez Vigil Rubio, president of the Principality of Asturias, and Commander in Chief Fidel Castro Ruz, president of the Councils of State and Ministers, attended the Asturian festivity held in the gardens of La Tropical Brewery in Havana. Approximately 3,000 people, among Asturians and Cubans of Asturian descent, attended the large gathering. The festivity promoted a sincere dialogue between those who one day sailed across the ocean to establish a second Asturias and those who come today to strengthen ties of friendship with their compatriots and to establish solid economic, trade, and cultural ties with Cuba. [passage omitted]

Spanish Official Explains Cooperation Agreements

FL1611160691 Havana Tele Rebelde Network in Spanish 1200 GMT 16 Nov 91

[Text] The fifth inter-governmental meeting between Cuba and Spain for the scientific, technical, and cultural cooperation has concluded its work meetings in Havana.

The meeting's final document was signed by Raul Taladrid, vice president of the State Committee for Economic Cooperation, and Javier Jimenez Ugarte, director general of the Latin American Institute for Cooperation. Juan Luis Mendez Morejon, Cuban ambassador to Spain, was present at the signing of the document which marks the beginning of a strong period of collaboration between Cuba and Spain. Javier Jimenez Ugarte commented that this partnership is not a hollow agreement of just words, but a solid agreement. Jimenez remarked that the agreement also contemplates new postgraduate courses on the enterprise system which will be taught in Havana by highly prepared Spanish instructors.

During a news conference with Cuban television reporters, Javier Jimenez Ugarte, head of the Spanish delegation, said that in commemoration of the discovery of America, 500 years ago, his country would participate in the restoration of the San Francisco Convent in Habana Vieja and in the work being done at the Velazquez Museum in Santiago de Cuba. They will also organize joint schools and workshops for the development of highly skilled artisans in the restoration of monuments. Jimenez spoke about the cooperation agreements that include the training of Spanish medical personnel in Cuba and the training of Cuban tourism

workers by Spanish professionals. At the end of the news conference, Javier Jimenez Ugarte announced that Spain would make a contribution of basic necessities to our country.

[Begin Jimenez recording] At the same time, I have also spoken to the [word indistinct]. We talked about two other issues that we would like to point out. These issues concern a Spanish contribution that we consider to be the most important of all. We want to achieve a larger availability of medicine and other basic products to prepare the medicine, as well as a larger availability of food and especially [words indistinct] in the Cuban market. [end recording]

Fuel Shortage Forces Airline To Reduce Flights

PA1611185291 Madrid EFE in Spanish 0221 GMT 15 Nov 91

[Text] Havana, 15 Nov (EFE)—Cubana de Aviacion announced on 15 November that it will reduce domestic flights due to a lack of fuel and spare parts. Other ground and maritime transportation services have adopted similar measures that have affected employment and salaries on the island.

On 4 November the Ministry of Transportation announced restrictions on transportation and cargo services by land, railroad, and sea. On 15 November a note issued by the airline stated that its domestic flights will be reduced effective 1 December.

Domestic bus and train operations have been reduced from daily service to alternate days.

Authorities have decided to save electricity by making most ground transportation trips during the day so that loading and unloading activities can be done using natural light.

The number of taxis has been considerably reduced; most of them provide their services to hospitals. The taxi station for foreigners is operating normally, however.

Maritime lines between southern Havana and the Isle of Youth have also reduced their services.

On 4 November the Cuban Government authorized enterprises and institutions to reduce their working hours with the dual purpose of saving fuel and eliminating the necessity of restaurants for workers and reducing salaries up to 30 percent.

Afternoon and evening television transmissions have also been reduced, mainly on weekends, since 4 November.

The first energy conservation measures were implemented by the Cuban Government in August 1990, when it enforced 14 rules to reduce the consumption of fuel and electricity.

During the Fourth Congress of the Communist Party of Cuba held in October, President Fidel Castro said that oil is the most vulnerable part of Cuba's economy.

In December 1990 the USSR decided to reduce its annual oil shipments to the island from 13.4 million tons to 10 million tons.

Diplomatic sources in Havana believe that there may be further reductions when the sugar harvest begins because of the uncertainty of Soviet oil shipments.

Commentary Explains Need for Fuel Conservation

FL1611032091 Havana Tele Rebelde Network in Spanish 0100 GMT 16 Nov 91

["Focus" commentary]

[Text] Rural and urban transportation have experienced (?considerable) reductions in the past few weeks. The country has had no alternative in light of new shortages in the fuel supply. It is important to remember that in 1990, approximately 13 million tons of fuel were used as a result of the economic and social development achieved by the revolution. It was only possible to purchase 10 million tons of fuel, which was regularly supplied in the first few months. But this has not been the case in the past few months. The country is now experiencing a noticeable drop in the level of these supplies.

As everyone knows, the U.S. Government has exerted tremendous pressure on private companies established in Mexico, Venezuela, and Ecuador to keep them from selling us additional fuel under favorable conditions. In light of this situation, the only alternative is to ensure those tasks aimed at increasing the production of food, and those development programs that will allow us, in the short and medium terms, to obtain resources and to work to attain economic independence. Some of these development programs are: biotechnology, genetic engineering, pharmaceutical and medical equipment industries, tourism, and other fields that produce exportable goods or that contribute to decrease imports.

Meanwhile, all that can be done is being done to ensure the production of indispensable electricity. More than 92 percent of the families benefit from this. There is no doubt that we must reduce some services, as is the case of transportation. Anticipating this situation, which as has already been said, could become worse because of the strong pressure being exerted by the United States, and because of the serious internal problems experienced by the USSR, the government has been preparing the people for such a situation. Some time ago the government adopted several measures that soften the consequences of the lack of fuel, such as, to mention only one example, the massive introduction of bicycles.

Cuba's enemies are trying to discredit this decision, and claim that by doing this, the country is taking a step backward. [Words indistinct] should be happy that it has

been done now. Perhaps it should have been done sooner. Developed European countries have turned bicycles into an important means of transportation, a health source, and a way to prevent the growing pollution of the environment.

In Havana, for example, the number of bus trips over the past few month had to be reduced from 29,000 to 17,000. Further reductions will have to be made. The residents of Havana, however, have received more than 300,000 bicycles and their use, to replace the bus, is still too low.

Rural transportation has to be thought out carefully. Only a person with a real and unpostponable reason should, at this moment, travel from one place to another. Some people do not want to accept the fact that it is not possible to satisfy their desire to go out for a ride as if nothing were happening. These people pack the bus, train, and air terminals. We are experiencing a situation where it will be impossible to satisfy this demand, especially over the holidays. If we fail to understand that these wishes cannot be met in face of this bitter situation, then the pressure will only serve to create tension and restlessness, as is sometimes seen at terminals when no transportation is available.

The people's welfare has always been the main goal of the revolutionary government. If reductions have been made, it is because of the exceptional conditions imposed by the aforementioned external factors. Our government's strategy is aimed at refusing to resign itself in the face of adverse situations; the evident solutions our country can achieve while maintaining its independence and sovereignty, must, however, require enduring difficult times for which we must brace ourselves.

Commentary Notes Importance of Saving Fuel

PA1611233991 Havana Radio Havana Cuba in Spanish 0000 GMT 16 Nov 91

[Commentary by Roberto Morejon]

[Text] Fuel conservation is an economic priority for the Cuban people. The signing of an agreement between local authorities and a Basque enterprise will play an important role in decreasing energy expenditures in the industrial sector.

Cubastec, a mixed enterprise, will draft project proposals to conserve energy. Its first results are already available in the Moa Nickel Plant in Holguin Province.

The Commander Ernesto Che Guevara Nickel Plant, built using Soviet technology, had to be closed in August 1990 because of its high fuel consumption.

When the first irregularities in the delivery of Soviet oil supplies appeared, Cuba initiated a fuel conservation program. The Moa factory was one of the first to be adapted to the new situation.

The nickel industry, valued at $700 million, can produce 30,000 tons of nickel annually, but it was paralyzed during its experimental production phase.

The mixed Cuban-Basque Cubastec enterprise will carry out studies on how to conserve energy. This enterprise is already functioning within the framework of local laws that give facilities to foreign investors without hurting Cuban sovereignty.

Research by this enterprise will benefit nickel production in Cuba, which has important reserves, among the largest in the world. There are millions of tons of nickel in a 150 km belt north of Holguin Province which should be able to provide the mineral for two centuries, according to FINANCIAL TIMES estimates. Countries from the former socialist camp have cooperated in the processing of nickel and in the construction of two nickel factories. However changes in Eastern Europe have placed a somber lid on that cooperation.

Cubastec's energy conservation operations have introduced a positive element to Cuba's nickel industry.

Commentary Condemns U.S. Pressure at UN

PA1711170091 Havana Radio Havana Cuba in Spanish 0020 GMT 15 Nov 91

[Roberto Morejon commentary]

[Text] If anyone doubted the international predominance of the United States, based on its military and economic power and the absence of a counterbalance in the world, the recent events at the United Nations should have convinced them of this reality. Washington's brutal pressure on other countries, particularly Latin American countries, inhibited many representatives from publicly expressing their opinions on the inhuman and illegal economic blockade against Cuba.

The U.S. diplomatic pressure on other governments to keep them from supporting Cuba's demand to lift the blockade is one of the most shameful pages in the bulky file of extortions carried out by U.S. administrations. With utter contempt for other countries' sovereignty, the White House representatives threatened to cut off aid, block economic negotiations, and cool political relations if the representatives supported Cuba's draft resolution to the United Nations demanding that the blockade be lifted.

As Ricardo Alarcon, Cuban ambassador to the United Nations, stated, our country has evidence of these unscrupulous treacheries but will not present it for the time being. The people at the UN auditorium knew what Alarcon meant by his statements. However, many decided not to speak out because the United States uses the economic frailty of these Third World countries to its advantage. The United States used this leverage to drown any expression favorable to the island. For its part, Cuba, in a movement that showed serenity and understanding of what was at stake for these countries,

decided not to insist on voting on the draft resolution and postponed the decision until the General Assembly's next session.

The Republican administration ought to know, however, that the arrogance, the rude language, and the contempt expressed by the giant with feet of clay for other governments does not determine its victory. The United States has already been condemned by millions of voices at impressive campaigns of solidarity with Cuba and by many governments that have privately said they are on Cuba's side. One example of this is the inclusion of the U.S. blockade issue on the Assembly's agenda. Cuba fought hard to attain this objective and it has won. Cubans will continue to work in this direction at all forums. We are accompanied by truth and the duty of demanding justice.

U.S. 'Protectionism' in Sugar Cuts Viewed

PA1811024891 Havana Radio Havana Cuba in Spanish 0100 GMT 16 Nov 91

["Our America" commentary by Ignacio Canel]

[Text] In a new demonstration of its protectionist economic policy, the U.S. Government has announced that in 1992 it will reduce the quota of sugar it imports from Panama. According to information released by the U.S. Department of Commerce, within the overall adjustment to be made by the U.S. Government, Panama's sugar quota will be over 20,000 tons, which will mean a 35% decrease in Panama's exports to the U.S. market.

One of the adverse effects of this on the isthmus country's economy will be increased unemployment, because Panama has four sugar mills, two state owned and two privately owned, which employ close to 20,000 workers during the harvest. These workers will be affected by a reduction of the amount of sugarcane planted in the coming years.

Olmedo Moscoso, general manager of the state owned La Victoria Sugar Corporation, said that with a reduction in exports, Panama will lose some $10 million, since Panama sells its sugar to the United States at a little over $21 per quintal.

Some 30 countries all over the world will also be affected by the U.S. sugar cuts, primarily the Dominican Republic, Brazil, Australia, the Philippines, and Peru. The United States periodically reduces its sugar import quotas from Latin American and Caribbean countries. The impact on those nations' economies is more dramatic when one looks at the constant cuts the United States has been making for over 200 years in an effort to protect its local production.

Whenever there is a sugar shortage on the U.S. market, the government increases imports, but when its domestic problems are resolved, it again reduces them. Something like that occurred last year when manufacturers of well-known soft drinks like Coca Cola, Pepsi Cola, and others, recommended that the Department of Agriculture increase the import quota when its inventory of sweeteners decreased. This was, however, rather unusual, because it should be said that since 1982, the United States has been reducing its sugar purchases from the main Latin American producers, causing many companies in the region to go bankrupt.

Considered the second destabilizer of the sugar market after the EEC, the United States decreed a limitation of preferential quotas in the area in May 1981 as a way of subsidizing its industries. In implementing this measure, it decreased its purchases from around 5 million tons at the time to less than 1 million at present. As a result of this policy, the Latin American countries' sugar profits dropped from $115 million in 1987 to less than $60 million in 1988.

The most painful factor, however, is that the protectionism being applied to Panama at this time greatly affects that country's economy, already hurt by a drastic reduction of its sales abroad as a result of the serious political-economic situation that the country is experiencing. This despite the fact that, when the United States invaded the isthmus nation in 1989, it promised to help that nation. The reduction of the sugar quota does not appear to be consonant with the concept of aid.

* Text of Resolution on PCC Statutes

92CA0019A Havana GRANMA in Spanish 13 Oct 91 p 7

[Text of resolution on Cuban Communist Party statutes agreed upon at Fourth Party Congress]

[Text] The Fourth Congress of the Cuban Communist Party (PCC), in accordance with the development achieved by our party as the main driving force of the revolution and experience gained by rank-and-file organizations and intermediate-level organs since the Third Congress in terms of the advancement and promotion of the process of rectification, which has included profound reflection aimed at perfecting the political system of society and the party itself, deems it necessary to modify the existing statutes so that its positions and standards will correspond to this historic phase.

The essential purpose is above all to ensure that any modifications and contributions will promote conscious and exemplary action on the part of Communists in guiding and mobilizing the people so that they will be able to withstand the harshest tests and difficulties of the Special Period (PE) in peacetime which our country is now entering.

In addition, the statutes must respond to new conditions, to a continuing need to make the administration of the party more efficient and, at the same time, to our determination to continue, even in the midst of a prolonged and extreme Special Period, to measures now in effect aimed at furthering and expanding internal democracy. The maturity and cohesion of our activism

result in the certainty that even in the tensest situations, viable and rational democratic practices within the party will strengthen our capacity to stand firm.

Along with loyalty to our principles, the new statutes demand an effort of realism and creativity that will once and for all overcome the notions and vestiges of practices associated with other contexts and realities. They must also be inspired by concepts concerning the party reflected in the Convocation to the Fourth Congress and the resolution of the Political Bureau calling for their discussion, as well as in the contributions of members and the people, 3.5 million of whom, from all sectors of Cuban society, participated in the debate.

Consequently, the new statutes must be devoted to a presentation of the essential principles defining our party, its nature and role in society, as well as a conceptualization of its style and methods. The text must therefore exclude specific standards and aspects which, while important, are of limited organizational scope and subject to variations depending on the circumstances and which should therefore be contained in the proper regulations. For obvious reasons, allusions and references to situations and outside political entities that do not now exist must be eliminated.

The Fourth Congress is for an unequivocal reaffirmation in the statutes of the supreme goal of the revolution: the building of socialism in Cuba, our party's unyielding support of the communist ideal that inspires its activity, and the most rigorous grounding of its status as a single party and of the Marxist-Leninist-Martiist Cuban nation.

It also maintains that admission to the party continues to depend, first and foremost, on the exemplary nature of those who, in a totally voluntary way, aspire to join its ranks. Members are to be selected in accordance with mass, public methods at places of work and from among revolutionaries and vanguard patriots, with no distinction as to sex, skin color, or religious beliefs.

The new statutes must endorse the historic mandate of the party as the guarantor of the unity of all revolutionaries and patriots based on the principles and defense of our work, national independence, and socialism. Without diminishing that unity or the principle that there is no place in the party for divisionism and narrow group interests, the guiding criteria of internal party life must promote respect for a plurality of views in its midst whenever there is a diversity of criteria on a topic under debate so that honesty, political courage, and loyalty will always prevail in analyses, the process of forming a consensus, and decisionmaking.

Along those same lines, the Fourth Congress stresses the need, in terms of the practice of democratic centralism, to attribute maximum importance to a real and effective articulation of discipline consistent with the broadest possible internal democracy, the exercise of collective leadership, and individual responsibility, ensuring complete freedom of discussion and opinions and unity of action of its organs and organizations.

For every member, party discipline entails the duty to defend the party line over and even in conflict with one's personal opinion, without such conduct necessarily implying, if one is not convinced, of giving up one's own opinion or the right to express it again within the organization if the same topic comes up for discussion.

In the conceptualization of internal norms and their shaping into statutes, loyalty to principles and the fight for discipline must be consistent with the promotion of creative and antidogmatic thought, support for constructive criticism, and the obligation to keep members and all the people informed of the vital affairs of the party and country.

In taking up fundamental concepts concerning the operation of all levels of elective party organizations, it is essential that the latter be able to perform their functions properly and fulfill the duties of leadership and supervision through suitable mechanisms and with the participation of all committee members and of other members suited to each case, so that the administration and role of the party are not confined to the work of professional cadres.

The new statutes must reflect the party's experience in work with cadres and the policy of promotions, based on working people as the fundamental breeding ground forged from work, effort, and struggle. From the standpoint of political work aimed at the training, education, and development of leadership cadres, close attention must be paid to eliminating any symptom of inertia that might appear in our institutions. Furthermore, their selection must be based on background, capacities, aptitudes, integrity, loyalty, firmness, and merit requirements. The party bears a political responsibility in guaranteeing continuity and renewal at all levels of leadership, thereby contributing, insofar as possible, to the simultaneous action of the three generations now leading the revolution.

The ideological question in party statutes requires a formulation whose premise, as comrade Fidel Castro, first secretary of our party, has explained, is specific to the Cuban Revolution: a blending of the radical ideals of Jose Marti and a singular tradition of the national and social liberation struggle with the historic need of socialism as the sole alternative to underdevelopment and neocolonial domination.

Brotherhood with Third World peoples, especially in Latin America and the Caribbean, anti-imperialism, solidarity, internationalism, the strategy and experience of building socialism, and its constant improvement based on the main guidelines of Marxism and Leninism and in keeping with the specific socioeconomic and geopolitical conditions of Cuba, find their synthesis in the political thought of comrade Fidel.

The concepts underlying the new statutes must be even closer to the live, active party which the revolution needs as the most dynamic and lucid soldier in the ideological and political struggle in its most current form. That struggle continues to include education in new values of socialism such as the formation of a communist attitude to work, identification of the workers with socialist ownership, planned development of the economy, the essential concepts of equality and social justice and its consistent practice in the work of the Cuban Revolution, and for the development of a healthy, austere society of producers distinct from the patterns of capitalism and capable of achieving high standards, conscious discipline, and complete development of the human person.

At the same time, when speaking of the member's duties, emphasis must be placed on the need to resolutely combat any praise of the bourgeois ideology, petty bourgeois individualism, the survival of racial prejudice or discriminatory practices of any type, skepticism, a lack of faith in socialism, liberalistic tendencies, defeatism, excessive criticism, opportunism, malingering, and the double standard. Criminal and antisocial conduct must also be combatted.

Every member and rank-and-file organization plays a decisive role in preserving the closest possible ties of the party with the masses, inasmuch as continuing dialogue with the latter is not limited to the daily work of cadres, but rather, presumes that not only does the party persuade and convince by means of the example of its members and correctness of its policies, but also listens to and learns from the people. This is the principle behind other equally far-reaching principles such as the ongoing revitalization of party work in the community, essential to the consolidation of these ties and the guiding, mobilizing capacity of the revolution.

The Fourth Congress deems that the statutes must express a step forward in the search for new alternatives carrying out the political will of the revolution aimed at combining the functions and prerogatives of the party as the center of the political system of which it is a part and the coordinator of all social management, with increasing and ever more active participation of the workers and all the people in making decisions and the practical execution of policies outlined within a continuous process of maturation of socialist democracy.

Achieving this would require an orientation and style of work gradually renewed by the party, which in no way exempts it from its political responsibilities whose foundation and regulations must be outlined in the new statutes.

In playing its role as the guiding force of society, the party is most interested in furthering socialist democracy and most aware that such a function is matched by a strengthening of the political power of the revolution, supported by the determination of the vast majority of our people to continue the task of socialist construction. Moved by that conviction and without diminishing the leadership role of the party, the Fourth Congress affirms that it is for strict application of the established principle of fully autonomous operation of the elective organs of People's Government, the administrative structures of government, the UJC [Union of Communist Youth], and mass and social organizations within the framework of the constitution, existing laws, and the statutes of such organizations, now necessarily dependent upon the requirements of the Special Period.

The Fourth Congress reaffirms that all party activity must be based on its moral authority, the rightness of its policies, exemplary conduct of its members, and its relationship with the masses.

The new statutes must be explicit about the concept that in order to guide and promote implementation of the directives of the central organs of government and of the party, the party has, in addition to its own influence and prestige, the personal efforts of members acting as leaders, cadres, or workers in all structures of our society and as a matter of principle, appeals for political and ideological methods, dialogue, argument, persuasion, and the active work of rank-and-file organizations and all organs.

It is also the function of the party to keep a zealous eye on the democratic operation, based on their respective norms, of all the organizations and institutions of our society.

In drafting formulations on these sensitive questions alluding to the party's irreplaceable role in developing cooperation between all organizations and institutions and in its continuing appeal for fulfillment of the obligations of each, the Fourth Congress draws attention to the need to distinguish between the nature of the ties and specific method of relating to the elective organs of the People's Government, the state organizations and administrative entities, on the one hand, and political relations that must be maintained with the Union of Young Communists and mass organizations and, above all, between the latter and the unions, whose authority in the fight for exemplary performance of the duties and full enjoyment of the rights of workers must be strengthened.

It should be emphasized that in exercising this function, the party must maintain its own independent perspective, given the fact that vis-a-vis the people, it assumes political responsibility for the entire task of economic and social construction. The drafting of this perspective must take into account appraisals to be made by state and government organs as well as mass and social organizations.

Finally, in the drafting of new statutes, consideration must be given to the fact that our party must act now and in the near future in the midst of international situations determined by the disappearance of the European socialist community, the serious crisis, and the step backward that such a blow entails and the intensified

aggressiveness and hostility of Yankee imperialism, all of which force our country to face the circumstances of the Special Period in peacetime and place on the agenda the fight to preserve our national independence, the revolution, and socialism.

Given the nature and depth of changes that will give rise to new statutes, the party's Fourth Congress deems it indispensable to submit the proposal for consideration by the membership and for this purpose, to engage in consultation and stimulate collective reflection with the participation of party organs and organizations.

At the same time, the Congress reached the conclusion that certain modifications in and additions to these statutes cannot be postponed and that, due to the circumstances, the concepts and norms set forth in the appendix should be implemented immediately.

Consequently, the Fourth Congress of the Communist Party of Cuba resolves:

1. to pass this resolution, which should serve as a foundation for drafting the new statutes;

2. to implement immediately the modifications in and additions to the statutes which appear in the appendix;

3. to empower the Central Committee so that:

a. on the basis of this resolution, it may draft new statutes for the Cuban Communist Party;
b. it may organize and head up the process of consultation on the proposed statutes;
c. it may introduce necessary modifications in the proposed statutes based on the results of the consultation; and
d. within one year, it may put the new statutes into effect.

Appendix

Modifications To Go Into Effect Immediately

1. Eliminating the structure of the Central Committee Secretariat;

2. Empowering the Politburo to create a working committee within itself to handle the daily affairs of party leadership, keep it informed of its work, consult with it, and give reports at meetings;

3. Eliminating the category of alternative members in all party organs and, consequently, any mention of them in the text of the statutes; and

4. Expanding the powers of the national party conference, modifying the corresponding article, to be formulated as follows:

"In the period between congresses, the Central Committee may call a national conference in order to handle important affairs dealing with party policy.

"The national conference will be empowered to make changes in the makeup of the Central Committee, incorporating new members into the organization, as well as removing or discharging from it whomever it deems proper.

"The number of participants, method of electing them, and standards for the planning and development of the national conference are determined by the Central Committee."

5. Incorporating a new article on committees responsible for confirmation of membership in the party, deactivations, and disciplinary measures. The text will read as follows:

"Municipal assemblies of the party will, whenever they meet routinely, elect committees whose task it will be to analyze and ratify or reject decisions of central organs on new admissions, deactivations, and party sanctions.

"During periods between assemblies, full meetings of the corresponding municipal committee will incorporate new members into these commissions or replace those it deems necessary."

6. Including a new article to read as follows:

"Sanctions that do not imply dismissal from the party once agreed upon by the core take effect and do not require ratification by higher bodies. Exempt from this norm are those cases in which the party affected does not agree with the measure or those involving members of higher party organs or belonging to their nomenclature."

7. Expressing in a new article the creation and goals of standing committees. It will read as follows:

"The Central Committee and intermediate-level assemblies will approve standing committees for which they will define specific work in the political, economic, and social spheres.

"During periods between municipal or provincial assemblies, full committee meetings at this level are empowered to exclude or include members of standing committees and even create new committees or dissolve existing committees if there are justifiable reasons for doing so."

8. Reducing from three to two years the length of the membership requirement in the Union of Young Communists for young communists to be processed for admission into the party as full members;

9. Modifying Article 7 of the statutes in effect up to now, to read as follows: "The party will choose its members and candidates from among:

"a. those chosen as exemplary workers at assemblies held for that purpose at their work centers and who expressly petition for membership in the party, including young Communists;

"b. young Communists who, upon reaching the maximum age in their organization, have not had an opportunity to be nominated and elected at an assembly as exemplary workers and who petition for admission, duly supported by their respective rank-and-file committees;
"c. those who submit their application for admission directly in a rank-and-file organization or party organ.

"Only on an exceptional basis will the assembly to elect exemplary workers be bypassed."

10. Eliminating the requirement of support and written petitions for those eligible as exemplary workers wishing to join the party;

11. Modifying the second paragraph of Article 61 of statutes previously in effect, which will now read as follows:

"The assembly of members and candidates of the core summoned by the higher organ meets at least once every two years to evaluate work done, approve work goals, evaluate members, elect the group's officers and, when applicable, delegates to whatever assemblies of higher levels are scheduled."

12. Eliminating the reference to the Military Department in the chapter pertaining to the party in the Revolutionary Armed Forces and Ministry of Interior; and

13. Eliminating in practice from party growth processes any interpretation of existing statutes that might imply denying a vanguard revolutionary the right to apply for membership in the party because of his religious beliefs and, for this purpose, establishing provisional regulation guidelines.

Haiti

Prime Minister Positive on Outcome of OAS Talks

FL1511210091 Port-au-Prince Radio Nationale in Creole 1400 GMT 15 Nov

[Text] In an interview given to the newspaper LE MATIN on Tuesday, 12 November, Prime Minister Jean-Jacques Honorat said that three tankers transporting fuel that the Haitian Government had purchased 28 October, were stopped at Corpus Cristi, Texas, on the orders of a Mr. Newcombe, a Treasury Department official, long before the embargo was to take effect on 5 November. Mr. Honorat added that the results of negotiations on the issue must be positive.

Haiti is facing a crisis that, since 30 September, has become very serious, the consequences of which are clear to all. To find a solution to this crisis, an OAS mission has come to hold a dialogue with the Haitian authorities, following the former president's departure into exile. Everyone is wondering how this crisis will be solved. What will happen to the country as a result of the embargo, which is causing great suffering? The powerful countries have set up a commercial blockade against Haiti since the end of October. That is why the three tankers have not arrived. Three orders paid in advance were blocked while a commercial war, illegal according to international law, has been declared against Haiti.

When asked about the reasons for the blockade, Mr. Honorat stated that reasons must be sought beyond those given.

Asked whether there will be a favorable solution in the negotiations with the OAS, Jean-Jacques Honorat stated that the negotiations will be positive. The fact that the OAS mission came to Haiti was a positive step. The postponement of the delegation's arrival was because of some intrigues created by an embassy which resulted in the delegation waiting in Miami, after a press release issued by that embassy suggested that several people had died in the streets, that the Army had shot demonstrators, that demonstrators had stormed the airport, and other bad news.

All these events show, according to Jean-Jacques Honorat, that we are under a press dictatorship. A powerful country, which is controlling a whole sector of the international press, has declared war on Haiti. This country did everything possible on 7 October to provoke the breaking off of negotiations. The rumors spread about the former president's presence at the airport caused people to go there to find out if they were true. There also were rumors that people had died on that occasion.

The prime minister said that all these maneuvers were aimed at disrupting the negotiations between Haiti and the OAS. This same embassy wanted to provoke a civil war, while simultaneously calling for foreign intervention in the country.

The prime minister believes that the government and the OAS have won in that sense. The mission came and the negotiations started and are going well. The OAS mission and the government will certainly reach a positive conclusion.

More on Government Expulsion of French Ambassador

French President Comments

FL1611133791 Bonaire Trans World Radio in English 1230 GMT 16 Nov 91

[Text] Haiti's interim government has ordered the expulsion of the French ambassador from Port-au-Prince, declaring him an undesirable person. French President Francois Mitterrand says that expelling the ambassador will not improve relations with the military regime.

Meanwhile, an estimated 1,300 Haitians have fled their home country and are in U.S. custody on Coast Guard vessels or at military facilities. The U.S. is looking for suitable countries to take some of the refugees. Trinidad and Tobago has become one to agree to the U.S. appeal.

French Senator Comments

FL1611164991 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 16 Nov 91

[Text] Jacques Albert, a senator who represents French citizens residing outside of France, has written to the French cooperation and development minister to tell him how surprised the French community in Haiti was when it heard that French authorities had asked all French citizen volunteers working in Haiti to leave the country because of the political change that occurred on 30 September. The French senator notes that Haiti's situation, which was already difficult, has become even more difficult because of the embargo. The situation risks getting even worse if all the volunteers leave.

Senator Albert points out in his letter that France has always supported previous governments in French-speaking Africa as well as in Haiti even though those governments did not practice democracy. In conclusion, Albert wonders whether France is applying the principles of cooperation in its attitude toward the Haitian Government, as France has always spoken out for the principles of cooperation.

More Reaction to Expulsion

FL161180791 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 16 Nov 91

[Text] There is further reaction to the government's decision. The Martinique-Haiti Vigilance Committee has expressed its unconditional solidarity and support of Dufour, whom the government declared persona non grata 14 November.

In an evening press release published on 14 November, the Martinique-Haiti Vigilance Committee recalled the role French Ambassador Jean-Raphael Dufour played during the coup on 30 September in order to save Father Jean-Bertrand Aristide's life. It also asked the French Government not to yield to blackmail by the Haitian putschists who have no legitimacy.

Aristide Says 'Embargo Will Restore Democracy'

PM1511155291 Barcelona LA VANGUARDIA in Spanish 10 Nov 91 p 10

[Interview with President Jean-Bertrand Aristide by Joaquim Ibarz in Bogota; date not given]

[Excerpt] [introductory passage omitted] [Ibarz] Will the embargo not be very painful for the population, in view of the degree of extreme poverty which Haiti has suffered?

[Aristide] The poorest—the majority of the population—have been suffering for decades a permanent embargo by the generals and a small group of oligarchs, who have used the Army to preserve their privileges on the basis of poverty, injustice, and the exploitation of the people. If we do not use the power of nonviolence now, we will have to call for a military intervention, with bloodshed. We believe in the power of nonviolence. We, the poor people of Haiti, say that it is better to suffer under that embargo for a few days in order to be able to emerge from the military dictatorship and not return to constant poverty. The generals will be unable to withstand the embargo. Venezuela and Mexico have suspended the shipment of oil; only medicine and food are arriving, and Bush has given instructions for the United States to maintain the embargo.

[Ibarz] Do you rule out a foreign military intervention to oust the putschists from power?

[Aristide] I do not want a foreign intervention by any means. If I found myself forced to choose between exile and military intervention, I would choose to stay in exile all my life. However, I am convinced that through nonviolence we will succeed in restoring democracy. The embargo will be the power of nonviolence capable of helping us overcome this dictatorship. The embargo will be sufficient to restore democracy.

[Ibarz] Could the transition to democracy be achieved through somebody other than yourself?

[Aristide] Neither the OAS nor the international community will recognize a government which has emerged from a coup. The constitutional laws must not be flouted. I am the legal president. The small group of criminals now holding power are the ones who should go to prison or leave the country.

[Ibarz] The military who are in power are accused of conducting a killing campaign, but you, too, are accused of acting despotically in the Presidency. What is the truth?

[Aristide] The military killed over 1,000 people in less than two weeks, and there are countless wounded. In my case, elected with over 70 percent of the votes, it was clear that the government had to reflect the representation of that majority, and such was the case. In that respect there could be no talk of despotism, because it was a matter of listening to the voice of the disinherited, of making the government reflect the population's aspirations. In the case of the coup, it is a matter of a group of military personnel who wished to return to drugs, corruption, and smuggling; which they could not do during the seven months that I was in power.

[Ibarz] It is asserted that drug trafficking lies behind the coup, to take advantage of the fact that Haiti has become a bridge for drugs in the direction of the United States and Europe. To what extent is that connection certain?

[Aristide] It is a very clear charge. The military personnel connected with drug trafficking in the past have started dealing in drugs again. A mafia group with roots in other countries is apparently in charge of funding these military personnel.

[Ibarz] What do you expect of the OAS mission which will visit Haiti to negotiate the restoration of democracy?

[Aristide] I have confidence in those diplomatic moves. The OAS performed a magnificent supervisory role in last December's elections. The OAS' mission will examine the lies of the regime, which has tried to besmirch my conduct, accusing me of violating human rights, when in fact it is they who have killed human rights.

MRN Hails OAS; Seeks Haitian Solution to Crisis

FL1511204191 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 15 Nov 91

[Interview with Rene Theodore, leader of the National Reconstruction Movement, MRN, in Port-au-Prince, by unidentified Radio Soleil correspondent, date not given—recorded]

[Text] [Reporter] Friends, we have met with Mr. Rene Theodore, the leader of MRN. Mr. Theodore, the parliamentary delegation that went to meet with the OAS civilian mission has signed an agreement with that mission. What is your opinion, as a political leader, on the agreement signed between the parliamentary delegation and the OAS mission?

[Theodore] Well, my opinion is that we must congratulate everyone on the Haitian side who participated in the negotiations with the OAS delegation, because the results that we have reached are extraordinary results for us. What results and why do I say extraordinary? The fact is that at the start the OAS was essentially opposed to us. The OAS came as President Aristide's representative, confronting all Haitian institutions. In the development of the discussions, we realized that we have achieved some progress: The OAS changed its position. Instead of standing against us, or in the way of other Haitian institutions, the OAS chose to play the role of arbiter. Therefore, when we heard that, according to the resolution which was reached with the Haitian delegation, they would meet directly with the other Haitian parties, that is with Father Jean-Bertrand Aristide abroad, with the OAS acting as an arbiter.... [changes thought] that everything will be done under the patronage of the OAS. Well, we are happy that it is not an international force or international authority that will solve problems on Aristide's behalf, but that the problems will be solved by Haitians with the presence, the participation, or the arbitration, of the international authority called the OAS. That is very important because, we can say, whatever final resolution we reach will not be something imposed on us by foreigners, but instead something decided by Haitians together. Our sovereignty, respect for our country, is extremely important.

The second important thing is that they have decided to send a humanitarian mission here in order to assess the effects of the embargo. We think this is also a good decision because they will realize that the country is totally shackled by the embargo and the people are suffering. Then, they will very likely alleviate or lift the embargo so that Haiti can continue to breathe and function because it is not possible that an internal conflict among Haitian parties should allow foreigners to come and deadlock us, to prevent us from a normal existence and a normal life as a country, as a people. That is also something very important.

A mission intended to assess the situation of human rights before and after Aristide's overthrow will be sent to Haiti. That is also important because we need normalization and calm in the country. Up to now, there have been acts that we can consider as violations of human rights in the country. Some repression has occurred. We must specifically take the opportunity to say that some bad things happened to journalists. We cannot support or approve such actions. The press is the press. Journalists should have the opportunity to do their jobs and to report to the people whatever the circumstances may be. Their information allows the public to know what is happening in Haiti. Therefore, we do not approve of the fact that journalists are persecuted and sometimes suffer from repressions in the current situation. On that score, we think that an OAS human rights committee in Haiti can help us reach normalization. Everything that will allow society to establish a climate of calm must be done so we can move forward, because the country must continue to move ahead.

[Reporter] Mr. Theodore, the provisional president of the country, attorney Joseph Nerette, stated he would respect the constitutional process, that is, to begin organizing elections after the first 45 days. Do you think this statement is compatible with the negotiations or do you think they will allow us to come up with a fair solution to the current crisis?

[Theodore] Well, we must understand that President Nerette received a mandate, a very clear mandate, which the parliament entrusted to him on the basis of the country's Constitution, and he swore to manage to carry out this mandate.

AFP—Observers Hopeful Solution Possible

FL1511193391 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 15 Nov 91

[Text] Observers of the political crisis in Haiti think that there is hope that a solution can be found following the negotiations between the OAS mission and parliament. According to an AGENCE FRANCE PRESSE [AFP] analysis, this hope comes from statements that the commander in chief of the Army made to Ramirez Ocampo [leader of the OAS mission]. He stated that the Army is only an advisory organ and that it is up to the civilian power to find a solution to the crisis.

The two concerned parties will begin negotiations in Colombia soon. But prior to that, the OAS is considering sending a humanitarian mission to Haiti to assess the consequences of the embargo in order to make recommendations appropriate for the situation.

Diplomatic sources close to the OAS think the best solution would be for Father Aristide to appoint a new prime minister in consultation with both parties. This prime minister, who would not be a partisan of the deposed president, would lead a cabinet made up of representatives from the entire political spectrum. This new government would have to work to stabilize the country with the help of foreign countries, while at the same time expecting the deposed president to return to continue his mandate after spending a certain time in exile. This time which Father Aristide would spend in exile would give everyone guarantees that no reprisals would be taken against them.

The same diplomatic sources say the solution suggests that General Raoul Cedras remain the head of the Army, that the police be separated from the Army, and that significant reform be made in the country's judiciary. The diplomatic sources remind that according to the 1987 Constitution real political power is in the parliament's hands. They point out that the president, in consultation with the parliament, chooses the prime minister when no political party has a majority within the parliament. These diplomatic sources remind that the president does not have the right to dissolve the Legislative Chamber.

Private Banks To Work 3-Day Week, 3-Hour Day

FL1611184491 Port-au-Prince Tropic FM in French 1300 GMT 16 Nov 91

[Text] The Professional Association of Commercial Private Banks has decided to operate three days a week for three hours a day. Beginning next week, they will establish a new schedule from 0900 to 1200 on Tuesday, Wednesday, and Friday. In the beginning, they had reduced the number of hours in a working day. Now, they have reduced the number of working days. This leads us to believe that they are saving fuel and reducing their operational expenses in order to adapt to the situation.

Senator Parent Favors Return of Aristide

FL1611191891 Port-au-Prince Radio Tropic FM in French 1430 GMT 16 Nov 91

[Text] Senator Clark Parent is in favor of Aristide's return to power. On the evening of 13 November, at the Montana Hotel, Jean-Jacques Clark Parent, the first senator from the Western Department, told the press: We all got off to a bad start. Therefore, we must begin again and recommencing means President Jean-Bertrand Aristide's return to power. Senator Parent met with the OAS delegation. Senator Parent added: Aristide's return would be the fruit of a great national conference in which everyone would acknowledge guilt. Senator Parent thinks that nothing really can be changed with weapons.

A journalist asked Parent whether he thought that the return is possible without the Army's consent. The National Front for Change and Democracy senator replied: I think the Army is comprised of clear-minded people who believe—like me—in dialogue without which nothing is possible. Senator Parent has not gone to the parliament since the 29-30 September events.

When asked about the constitutional violations committed by the deposed president, Parent stated that the Constitution is a set of ideas that can be easily broken and that—like the Bible—it has had varied interpretations from the different sectors that are unceasingly accusing one another of having violated it.

These were statements made by Senator Jean-Jacques Clark Parent as reported by the daily LE MATIN.

Popular Resistance Moves to Departments

PA1711031591 Madrid EFE in Spanish 0002 GMT 17 Nov 91

[Excerpt] Port-au-Prince, 16 Nov (EFE)—It was reported on 16 November that the struggle against the de facto Haitian Government has moved to the country's nine departments. The struggle is based on a popular resistance movement that demands the return of toppled constitutional President Jean-Bertrand Aristide.

A bulletin entitled "Haiti: Resistance and Democracy," has detailed how the popular resistance is organized and the high level of political repression against peasant organizations.

The priests of various dioceses and the Conference of Haitian Clergy have urged the people to stand firm and resist the de facto government.

At the Saint Rose of Lima Church, located in Leogane, south of Port-au-Prince, more than 600 parishioners met to pray and to criticize the officers who overthrew Aristide on 29 September.

"The soldiers have violated the Constitution, they have staged a coup d'etat, they have gagged the press, they have exiled many people, they have released 'tonton macoutes,' and opportunistic legislators have formed a de facto government," the clergymen have stated.

Other national organizations have expressed their support for the resistance in Haiti. At the same time, there has been repression against the Papay Peasant Movement in the center of the country. Peasants of these organizations in the towns of Thomonde, Hinche, Maissade, and Crochu have been arrested and have disappeared.

Soldiers have taken the belongings of peasants in the center of the country and they have burned the community buildings that the Aristide government helped build.

In Jeremie, in southwestern Haiti, the people are resisting the de facto government to the same extent that Jeremie Bishop Willy Romelus has been condemning the coup week after week.

Meanwhile, in Port-au-Prince, the leaders of organizations such as the National Federation of Haitian Students, the National Confederation of Professors, the General Workers Council, and the Federation of Neighborhood Committees, among others, have gone underground. [passage omitted]

Trinidad and Tobago

Government Agrees To Accept Haitian Refugees

FL1611180191 Bridgetown CANA in English 2123 GMT 15 Nov 91

[Text] Port-of-Spain, Trinidad, Nov 15, CANA—Trinidad and Tobago announced on Friday that it would accept some Haitian refugees on a temporary basis until a permanent solution to their plight was found by the United States. U.S authorities had asked the government earlier this week to temporarily shelter some of the 500 Haitian refugees intercepted at sea by the U.S. Coast Guard since the September 30 military coup that ousted President Jean-Bertrand Aristide.

The refugees, who were attempting to get to the United States, are currently being held on Coast Guard boats anchored near the U.S. military base at Guantanamo Bay, Cuba.

Prime Minister A.N.R. Robinson told reporters Trinidad and Tobago woud seek some financial assistance from international humanitarian groups to assist in accommodating the refugees here. Robinson who earlier met with opposition leader Basdeo Panday on the issue, said the country was accepting the Haitians on "sheer humanitarian grounds."

He added, "...While we assist, others must help. Financing for such assistance must be borne by the international organisations."

Robinson was also expected to meet with American Ambassador Sally Cowal to discuss matters involving the number of refugees expected in the country and the possible time of their arrival.

GUARDIAN Says No to Refugees

FL1511182791 Bridgetown CANA in English 1757 GMT 15 Nov 91

[Text] Port-of-Spain, Trinidad, Nov 15, CANA—Following is the text of the editorial in Friday's Trinidad GUARDIAN newspaper:

"If we could afford it, maybe. The hard fact is, we cannot. That is why we believe the government should turn down the request from the United States to accept Haitian refugees into our country. We have never accepted refugees from any other part of the world and, having regard to the state of our economy and the over-burdened condition of all our public services, this is hardly the time for us to begin. And, in any case, the legal implications of the precedent we would be setting is a complex and controversial matter that we should prefer to avoid.

The request from the U.S. follows the capture by American Coast Guard vessels of some 500 Haitians trying to enter the U.S. illegally. We understand the anxiety to accept the Haitians fleeing their country now torn by a fresh crisis. It could quite likely lead to another serious refugee problem as more Haitians run away from the desperate conditions which have developed after the ousting of President Jean-Bertrand Aristide or persecution at the hands of the rebel military regime which deposed him.

The fact is that the vast majority of Aristide's supporters belongs to the improvished masses of Haiti. These would be the first to feel the deprivations resulting from the cut-off in international assistance and the economic sanctions imposed on Haiti following the overthrow of Aristide. And because of their active support for the priest-politician who became Haiti's first democratically elected president, they would also be the targets for violent reaction by the soldiers now in power and members of the elitist ruling clique.

As the situation in Haiti deteriorates, it is logical to expect an increasing outflow of "boat people" frantically fleeing the tragedy of their country and hoping to find a better life in the land of opportunity up north. Clearly, it is not the kind of influx the United States, or any other country for that matter, would welcome, but in our view the U.S. (or perhaps Canada) is the best equipped, both economically and in terms of size and experience to accommodate the escaping Haitians.

Over several decades, Trinidad has become home for thousands of illegal immigrants from the smaller islands, seeking a more pleasant life on our "oil-rich" soil. Although some have settled down and become productive, their presence has always been a source of annoyance among native citizens and, especially during periods of austerity, we have repeatedly heard calls for their repatriation. The reason, of course, is the fact that Trinidad and Tobago is still a developing country unable to provide all the jobs and living amenities for its own people.

That aliens should be jostling citizens in such critical areas as employment, housing, education, and health care is not only unjustifiable but genuine cause for dissastisfaction. For the same reason we would object to the admission of Haitian refugees in our country. And surely if we set a precedent now by accepting a few hundred, the likelihood is that the pressure will build up as more desperate people abandon the land of voodoo and tonton macoutes.

Already there are large communities of Haitians in the state of Florida and other parts of the United States.

Most of them are fairly well settled and productively employed, as unskilled jobs are readily available in such large cities as Miami and New York. It seems far more fitting that the present tide of Haitian refugees should be channeled into these established communities instead of sending them to small developing Caribbean countries where they may become an added burden to the economy.

Because of the history of their country, Haitians do not enjoy a high reputation, but the United States, traditionally a land of immigrants, should have no problem in assimilating these refugees. As for Trinidad and Tobago, we should be prepared to help Haiti in a number of ways but with respect to this particular request from the U.S., we should politely say, thank you, but no thank you." (end of text)

El Salvador

Armed Forces Reports No Clashes Since 15 Nov

PA1611202291 Mexico City NOTIMEX in Spanish 1820 GMT 16 Nov 91

[Text] San Salvador, 16 Nov (NOTIMEX)—Official sources have confirmed here that the unilateral military truce declared by the Salvadoran guerrillas went into effect on 16 November throughout the country and that there have been no armed clashes.

The Press Committee of the Armed Forces has reported that the latest clashes between the Army and the Farabundo Marti National Liberation Front took place on 15 November and that so far there has been no report of additional actions.

On 14 November the FMLN announced that it would declare a unilateral cease-fire to help the peace talks that it has been holding with a government delegation in Mexico City for almost two weeks.

The FMLN initiative has been seen by President Alfredo Cristiani and Salvadoran political and social sectors as a positive gesture that could mean "the beginning of the end" of the civil war that has raged for more than a decade and has resulted in thousands of deaths.

On 16 November Juan Ramon Medrano, a leader of the FMLN Political Committee, said from somewhere in San Salvador that "with the implementation of the truce, the FMLN has confirmed its will to have peace."

Medrano said that this measure "is a safe and firm bridge" to a cease-fire that "will now depend on how the negotiating process develops and on the political will of the government and the Armed Forces high command."

He noted: "The suspension of sabotage operations, offensive actions, and urban guerrilla activities by the FMLN shows that our men have discipline, strong wills, and an awareness of what we are doing." Medrano cautioned, however, that the guerrillas could deliver a "strong and firm" military response "if the Army does not suspend its offensive operations in the territory under FMLN control." He stated: "We hope that the government and the military high command will immediately respond in kind to the FMLN's demonstration of its desire for peace; there is now no justification for launching military operations to stop FMLN activities because there are none."

A few days ago Salvadoran President Alfredo Cristiani said that on 16 November his government would analyze the situation to determine what measures the government would implement to correspond with the FMLN decision. He said those measures would depend on the effectiveness of the truce.

Although various political and social sectors have set their hopes on the possibility that the cease-fire could pave the road to peace, other forces have granted the FMLN the "benefit of the doubt." [passage as received]

This moderate position stems from the fact that throughout the armed conflict both the Army and the FMLN have repeatedly accused each other of violating the many unilateral cease-fires declared by the rebels.

Parties Praise Guerrilla Truce Announcement

PA1511185091 Madrid EFE in Spanish 0012 GMT 15 Nov 91

[Text] San Salvador, 14 Nov (EFE)—Several Salvadoran political sectors described the truce announced by the guerrillas on 16 November as "very positive" and considered it an important contribution toward the peace negotiations to end 11 years of war.

The opposition Christian Democratic Party (PDC) issued a communique expressing its satisfaction with the rebel truce that begins on 16 November. The PDC calls on the government to "take the Farabundo Marti National Liberation Front's [FMLN] word" and "do likewise," adding that 15 November "could be the last day of war in El Salvador."

Deputy Mario Aguinada Carranza of the leftist National Democratic Union described the FMLN's decision as "very positive," especially because it is taking place in the midst of "very intense military confrontations and pressure from right-wing sectors." Carranza emphasized that the truce, during which the rebels promise to suspend offensive actions, urban operations, and sabotage of the economy, "is a contribution toward improving the atmosphere at the negotiating table."

Deputy Gloria Salguero of the ultra right-wing ruling Nationalist Republican Alliance described the FMLN's decision as a "goodwill gesture." "Every Salvadoran who desires peace was waiting for this, unlike those extremely small minorities who least peace because they benefit in some way from the war," Salguero said. Salguero expressed her hope that the FMLN "really" abides by the truce and facilitates negotiations.

Deputy Juan Jose Martell of the left-wing Democratic Convergence coalition said that the rebel's attitude "is very positive, shows maturity, and may help negotiations to definitely emerge from the bogged-down state, which is a result of pressure from the extreme right."

Government and FMLN representatives have been meeting in Mexico since 4 November in a new round of peace negotiations taking place under UN auspices since April 1990.

Salvadoran President Alfredo Cristiani expressed his satisfaction with the guerrillas' decision and announced a recess in the Mexico talks between 17 and 22 November.

A UN communique states that by the end of next week, talks on cease-fire details are expected to begin with the

participation of Marrack Goulding, UN under secretary for Latin America Special Affairs.

Cepeda Says Bilateral Truce Would Not End War

PA1511213991 San Salvador Canal Seis Television in Spanish 0200 GMT 15 Nov 91

[Report by Guillermo Valencia]

[Text] Deputy Defense Minister General Juan Orlando Cepeda said today that a bilateral military truce would not stop the war and therefore the Army cannot accept it. Minutes before the Farabundo Marti National Liberation Front [FMLN] announced a truce, the high-ranking military leader pointed out that the insurgency has always used truces as propaganda ploys:

[Begin Cepeda recording] A truce is what they use to gain some breathing room; it would not completely solve the war problem. The government has already stated its position. He [not identified] is actually seeking a definitive end to the conflict, but a truce would allow the enemy to grow stronger. That is why it was rejected.

I believe that the government position is already clear and that a truce of this sort is not advisable for the Armed Forces, much less for the people. [end recording]

On 12 November the guerrillas urged the Army and the government to declare a bilateral truce. On 14 November the FMLN backed its words with deeds and announced a suspension of its military actions and sabotage beginning 16 November. A positive sign is that negotiations continue to be the sole solution to the conflict despite the intensification of war:

[Begin recording] [Cepeda] We must understand that there is a little of everything in a society that is as divided and polarized as ours. Just as there are recalcitrant and extreme terrorists there could also be extreme right-wingers who disagree with the government's position to reach an understanding through negotiation.

[Reporter] In your opinion, General, could the dialogue succeed?

[Cepeda] I believe so. We should not fear the dialogue. We must understand and interpret it as a way to reach an understanding; as a way to find out what the enemy (?has) and why the enemy decided to take up arms. We will not reach an understanding or learn such things if we do not hold talks. I believe that we should not fear dialogue. [end recording]

General Cepeda today headed a command transfer ceremony at the Armed Forces Transmission Training Center where Colonel Eladio Benjamin Canjura transferred that garrison's command to Col. Leopoldo Herrera Amaya.

Rebel Radio Station Praises Unilateral Truce

PA1511200391 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0000 GMT 15 Nov 91

[Station Commentary: The Initiative for a Definitive Peace]

[Text] With our initiative to declare a unilateral truce, we have taken a decisive step to save the negotiations and isolate the warmongers who want to make the talks fail. With this decision, we have exorcised the phantom of a new offensive, an excuse used by the opponents of the negotiations and President Cristiani to break off talks and turn back the agreements already reached at the negotiating table.

We are demonstrating that the only large-scale offensive we seek is negotiations as the only path to peace. In this way, we have responded to the provocations of the sectors opposed to negotiations, which do not want the nation to enjoy a Christmas in peace. Warmongering has been unmasked. It has been left isolated in its effort to sink the ship of peace. With our proposal, we have clung to the helm of that ship so it will continue to sail on the flowing waters of negotiations.

We joyfully applaud the immediate reply by President Cristiani, who described our truce as positive and who announced the adoption of unilateral reciprocal actions to stop the violence. For the good of the nation, we hope that President Cristiani will announce his unilateral initiative soon. It undoubtedly would have to include a halt to operations against our areas, to repression, to psychological warfare, and to all those measures and attitudes that go against the agreements and the negotiating process.

We must acknowledge the deep concern shown by UN Secretary General Javier Perez de Cuellar in his efforts to silence weapons at a time when there are negotiations so warmongering feelings will not hinder the process.

With our unilateral truce, we are expressing the wishes of the entire country and the world, which want an immediate end to the war. We are preventing warmongers from turning the negotiating table into firewood to throw on the bonfire of war. In our unilateral truce, we have stated very clearly that we will change this measure only if the other side carries out actions that affect the New York agreement and the progress in the negotiations or that modify the balance of forces.

Within this context, we hope the government will respond very soon with positive actions that will not hinder but make feasible our efforts for peace. We call on all the country's social and political sectors to strengthen this effort we have undertaken so we can fully isolate the sectors that oppose the rapid establishment of peace in El Salvador.

ARENA Leader Supports FMLN Announcement

PA1711012191 San Salvador Radio Cadena YSU in Spanish 1800 GMT 15 Nov 91

[Text] Reaction to the guerrillas' announcement of a unilateral truce starting at 0000 on 16 November has been positive. The FMLN [Farabundo Marti National Liberation Front] announced in Mexico that it would suspend all of its military activities throughout the country, which includes discontinuing acts of sabotage against the electrical power system.

Armando Calderon Sol, president of ARENA [Nationalist Republican Alliance], said that the FMLN should long since have decreed the unilateral truce, which has enhanced the credibility of the country's pacification process.

[Begin Calderon Sol recording] I view the FMLN's 12 November declaration as positive. In my opinion, this is what the FMLN had to do; it had to stop attacking the Salvadoran people and perpetrating violence throughout the country. That will undoubtedly improve the atmosphere at the negotiating table and it will increase the credibility of the pacification process in the eyes of the Salvadoran people. I believe that it is a positive action, I look upon it favorably, and I hope that it will become concrete, that it will become a reality, and that our dear people will suffer no further bloodshed.

I am very optimistic and positive. Progress has been made and we may achieve a definitive cease-fire by December, as had been announced. This is what the Salvadoran people are hoping for; they want the futile bloodshed and the senseless and unreasonable whirlpool of violence to end. Our democratic process provides political opportunities for participation, and it is entirely out of order and unreal to expect to attain power through the use of weapons.

I believe the cease-fire may mean, in effect, total peace for the country. The FMLN has unilaterally ceased fire, and if a definitive cease-fire were to be signed within a few days, there would be no further violence in the country. It would be the most marvelous thing that could happen to El Salvador. [end recording]

Concerning the Army's role within the new circumstances created by the FMLN's unilateral truce, Calderon said that the Armed Forces must fulfill their constitutional duties.

[Begin Calderon Sol recording] Once again I will clearly state that the Armed Forces were instituted to fulfill [words indistinct] its constitutional duties, and toward that end it can take action to impose order and prevent sabotage. In the absence of such aggression, the Army would not take action, praise be to God. [end recording]

Calderon Sol announced the forthcoming COPAZ [National Commission for the Consolidation of Peace] meeting that will be held in Mexico after all, possibly on 20, 21, or 22 November. The commission will continue to study the bill to formalize COPAZ, which will be presented eight days after the cease-fire is signed at the Legislative Assembly.

To conclude, Calderon Sol also criticized the labor union activities of the past few days. He described government employees who are still on strike as foolish, adding that they are attempting to destabilize the country.

END Accuses Army of Provocative Actions

PA1711194391 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 16 Nov 91

[Communique issued by the 6th Military Region of the National Army for Democracy, END, in Usulutan on 15 November]

[Text] The National Army for Democracy Command in the 6th Region, southeastern region, reports the following:

1. In an attitude that contrasts with the political will expressed by our General Command, which announced the implementation of a unilateral truce effective 0600 GMT on 16 November to encourage the negotiation process, the high command of the antidemocratic Army has ordered an operation against areas under our control. The operation, which is being carried out with the participation of the elite Belloso, the Atonal Battalions, and troops of the 3d Brigade and 6th Infantry Brigade, has the sole objective of taking advantage of our gesture of political goodwill to win points in the military field.

The following are the Army's offensive actions:

A. Troops of the Atonal Battalion and 6th Infantry Brigade are currently conducting operations of an offensive nature in the general area of San Francisco Javier.

B. On 14 November, combined troops of the Belloso Battalion and the 3d Brigade, supported by Dragonfly A-37 planes, began operating in the general area of Cerro El Tigre. The enemy troops continued to advance on 15 November, which resulted in strong clashes in Tapesquillo Bajo and Las Marias, Jucuapa jurisdiction; and in San Antonio, Ojo de Agua, and Oromontique, Chinameca jurisdiction, Usulutan Department. Our units inflicted several casualties on the provoking troops during those clashes.

2. In light of the above, we reaffirm our obedience to the General Command's orders to suspend our offensive actions. However, we stress that we will firmly defend the integrity of our territories and will hold the enemy command entirely responsible for enemy forces who are killed or injured as a result of their provocative actions.

In the offensive for peace we will make the enemy pay a high cost for warmongering actions carried out by those who are opposed to peace.

[signed] END Command, 6th Military Region

[issued] Usulutan, 15 November 1991.

Villalobos Says Military Operations 'Bad Sign'

PA1611225591 Hamburg DPA in Spanish 2134 GMT 16 Nov 91

[Text] Mexico City, 16 Nov (DPA)—The Salvadoran guerrillas have described operations carried out by the Army, as a unilateral rebel truce began today, as a "bad sign" for the attainment of peace in the country.

Joaquin Villalobos, one of five commanders of the insurgent forces, charged in the Mexican capital that within the past few hours the Armed Forces have deployed thousands of soldiers to traditional guerrilla bastions, and thus "are jeopardizing" the truce.

The operations, which were apparently carried out yesterday and early today in Guazapa, Morazan, and Usulutan, "show that President Alfredo Cristiani does not control the Army," the guerrilla leader said.

The Farabundo Marti National Liberation Front (FMLN) today denounced such actions before UN mediator Alvaro de Soto as "provocations" by "extremist soldiers" to hamper the negotiations that have taken place in the Mexican capital since 4 November.

Villalobos mentioned the following officers as being among those who allegedly oppose a negotiated solution: Deputy Public Security Minister Inocente Montano, Deputy Defense Minister Orlando Cepeda, 1st Brigade Commander Francisco Elena Fuentes, National Guard Chief Carrillo Schenker, and Treasury Police Chief Roberto Pineda.

"Those officers have more than enough reasons to hamper the peace negotiations because they do not want a reduction in the size of the military, a purging of the Armed Forces, or the elimination of current security organizations," the rebel commander said.

These two issues, on which the two parties have not yet reached any agreement, are the main topics of the peace negotiations in the Mexican capital.

Villalobos said that the FMLN maintains its decision to suspend offensive urban and rural operations until a definitive cease-fire is reached, but warned that it would assess the Army's attempt to gain territory. However, he pointed out that the guerrillas would suspend their truce "only in extreme cases."

Roberto Canas, spokesman for the rebel delegation at the peace negotiations, made a similar statement. He said that the guerrillas will respond with their weapons to any military attack. "If they attack us, we will resort to legitimate defense," he added. Canas said that within the past few hours, the Army deployed troops and bombed certain areas of Chalatenango, Cabanas, Morazan, Usulutan, and Guazapa in an apparent attempt to occupy the area that the FMLN abandoned as it began its truce at 0000 today.

"We did not expect the Army to react in this way," Canas said as he recalled the positive statements with which President Alfredo Cristiani greeted the truce announcement on 14 November. Canas, however, pointed out that "there is no news" of direct clashes between guerrillas and soldiers, but did not rule out possible clashes as a result of the military deployment.

Meanwhile, the government's delegates to the negotiations in the Mexican capital returned to San Salvador this morning for consultations as a five-day recess began. The negotiating will resume on 22 November.

FMLN Commander Comments on Cease-Fire, Future

PA1711191391 San Salvador Radio Cadena YSU in Spanish 0130 GMT 15 Nov 91

[Telephone interview with Leonel Gonzalez, commander of the Farabundo Marti National Liberation Front, FMLN, by unidentified announcer in Mexico City on the "State Your Opinion" program —live]

[Text] [Announcer] We are now going to talk with Commander Leonel Gonzalez on the telephone. We are going to ask him for his opinion about the announcement of the cease-fire that will go into effect on 16 November. We will ask him about the reaction that the Farabundo Marti National Liberation Front [FMLN] has seen. Good evening, Commander. Go ahead.

[Gonzalez] Good evening to YSU listeners, the Salvadoran people, and greetings to all our FMLN militants. I would like to tell you that this very important decision, which will have a tremendous historic effect on the nation and on the normalization of the country's situation, has already had very important repercussions. From the very beginning we stated that this would not be just another cease-fire; that it was not a propaganda decision. We stated that it was a decision to guide the negotiation process towards a successful end.

The UN secretary general has expressed a positive attitude toward the cease-fire. The government has also been responsive. We have heard statements by President Alfredo Cristiani and by the government's delegate Mauricio Ernesto Vargas [Armed Forces representative in the dialogue commission]. I believe there is less tension in the atmosphere, and this is a very important factor in moving the negotiations forward and reaching agreements on pending issues.

It is important that our people have confidence, as we believe that certain doubts and moments of mistrust may arise. We hereby reaffirm our resolve to continue until we can sign a cease-fire, separate the forces, and then sign a permanent cease-fire.

The people must also have confidence that the entire country expects reciprocity for this action. The decision made by the government and the Armed Forces high command representative to respond positively to this FMLN position is important. We believe it means that a final peace may begin on 16 November. That is the FMLN's ambition and the people's ambition. We have

come to respond to that ambition and to continue to work very hard at the negotiating table to sign the final political and cease-fire agreements.

[Announcer] Well, dear listeners, let me just remind you that we are broadcasting live this evening. We have Commander Leonel Gonzalez on the telephone. If you would like to call and ask Commander Gonzalez about the talks in Mexico and about the future of the negotiations, you may do so by dialing 24-1847 or 24-2525.

I will now ask Commander Leonel Gonzalez this question: What will become of all the FMLN fighters in the postwar period? How will they join the productive life of the country? What will become of those who, given the war situation, were taught to read and write but have no academic profession?

[Gonzalez] I believe that the great challenges facing the FMLN, the government, and the country are new and difficult. In the case of our fighters and militants, the New York agreements offer the possibility of applying the Geneva convention to the reentry of the FMLN into civilian and political life in El Salvador. We are working at the negotiating table on incorporating the FMLN fighters into the new police force. We are also working to see that the population in the conflict area has some influence regarding the large amount of land in those territories. New York has opened the door to this issue.

During the period of peace under the cease-fire, we are working with the United Nations to implement a large-scale education program and a cultural program for the people in the conflict areas and for the fighters, who have not had access to an education due to the many years of war. We intend to raise the cultural level of the people and the fighters and to carry out an intensive plan to teach our former fighters to read and write.

[Announcer] So, listeners, we come to the end of the "State Your Opinion" segment.

Army Response Sought to Truce Declaration

PA1711011791 San Salvador Canal Doce Television 0300 GMT 16 Nov 91

[Text] The Permanent Committee of the National Debate for Peace today demanded that the Army put an end to its operations in response to the unilateral truce decreed by the Farabundo Marti National Liberation Front [FMLN].

According to the Permanent Committee, only such action will contribute toward decreasing the intensity of the war until it comes to an end.

The various sectors that comprise the committee have stated their satisfaction with the FMLN command's announcement that it would implement a unilateral truce.

The committee has urged the government and especially the Armed Forces to respond in kind to the rebel offer. According to the committee, the Army must suspend its operations in areas under guerrilla control and stop the bombing.

[Begin recording, unidentified speaker] We believe that the government must respond in kind to the truce offer and that military operations in areas under FMLN control should be suspended because they go against the unilateral cease-fire the FMLN has announced, becausee the front would have to react if those operations continued. We believe that the indiscriminate bombings that are being carried out should also be suspended. [end recording]

With regard to the current labor crisis, the committee stated its support for workers who are demanding salary increases and Christmas bonuses. Committee leaders have said that there are funds to do that, but funds are being diverted.

[Begin recording, unidentified speaker] They speak of a lack of resources to pay Christmas bonuses, but deputies from low-income sectors in the Legislative Assembly have told us that the budget for the defense sector shows a 13 percent increase.

That is a big contradiction. What is the sense of increasing defense expenditures at a time when we are approaching a year of peace and when we are talking about a unilateral cease-fire offer by the FMLN that will have to be matched by the government? None. [end recording]

Finally, the committee invited popular organizations to participate in the torchlight procession that will begin at Plaza Civica and end at the Central American University on 15 November, in commemoration of the assassination of the Jesuit priests.

Attorney General Rejects Church's Accusations

PA1711011591 San Salvador LA PRENSA GRAFICA in Spanish 14 Nov 91 p 2

[Text] The Attorney General's office rejected on 13 November the accusations by the Archbishopric's Legal Assistance Office, which accused the former of maintaining a passive attitude concerning the investigations being carried out to solve the massacre of El Mozote, Morazan Department.

District Attorneys Saul Rigoberto Zelaya, Jose Eduardo Pineda, and Rafael Antonio Gonzalez held a news conference and emphatically denied the accusations. They asserted that the Attorney General's Office appointed a specific district attorney from the beginning and two specific human rights agents were also appointed to bolster the investigation.

Likewise, they denied the accusations that district attorneys have manipulated the testimony of witnesses. They rejected that and said that, as officials, they have the

right to ask questions to ascertain the truth, and that certainly does not mean that they are manipulating the the testimony of witnesses.

Moreover, they reported that they have requested the cooperation of the Red Cross so that officials of the Attorney General's Office can travel to the site of the massacre in Canton El Mozote, Morazan Department, because it is a highly dangerous zone.

The last report received from the Army indicates that the zone is filled with mines and that no one can enter the area until those explosive devices have been defused. They said that when it becomes feasible their first task will be to exhume the bodies to establish the actual number of victims, because there is talk that there could be between 700 and 1,700.

In addition, they said that they could establish the cause of the victims' deaths. Although 10 years have passed since the events took place, they asserted that both the Attorney General's Office and the Supreme Court have the technical means to carry out the tests and, if possible, ascertain the victims' identities.

Referring to the charges that members of the Atlacatl Battalion perpetrated the crime, they explained that it cannot be fully ascertained because the witnesses' testimony is contradictory. The testimony includes that of Pedro Chicas Romero, who reported the event in October 1990. He said that he did not witness the peasants' death, but that he learned about it from others.

FMLN Offers El Mozote Investigation Guarantee

PA1711200491 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 16 Nov 91

[Communique by the 3d Military Region of the National Army for Democracy, END, issued in Morazan on 15 November]

[Text] 1. Regarding the El Mozote massacre in which 1,000 peasants were killed, we have heard legal authorities say that they have not traveled to the site due to lack of security.

2. Organizations such as the International Red Cross Committee and UN Observers for El Salvador have transited areas near El Mozote, and in the past few days representatives from national institutions and television journalists have visited the area without any danger.

3. Within the framework of the truce to begin at 0600 GMT on 16 November, the Farabundo Marti National Liberation Front offers all the necessary guarantees and conditions to carry out any type of investigation in this area.

4. We also believe that President Cristiani should show good will and should contribute toward building the confidence required for peace by promptly providing the information requested by the court regarding the military units that participated in the Anvil and Hammer [Yunque y Martillo] Operation.

[issued] Morazan, 15 November 1991

Guatemala

Organizations Issue Communique on Guerrilla Talks

PA1811015891 Guatemala City Teleonce Television in Spanish 1800 GMT 14 Nov 91

[Text] Representatives of a number of political, union, business, and Indian organizations said on 14 November that the dialogue between the government and the Guatemalan National Revolutionary Unity [URNG] has not yielded positive results. They expressed their views during a news conference at the National Reconciliation Commission's office. The leaders were from the Center for Political Studies [Cedep], Guatemalan Confederation for Trade Union Unity, Guatemalan Workers' General Central Organization, Great Union of Non-Affiliated Cooperatives, Association of Coffee Exporters, Guatemalan Federation of Small and Medium Enterprises, and the National Indians' Front, among others organizations. Cedep leader Arnoldo Cabrera announced a joint communique.

We demand that the peace process be expedited. We, the civilians who, urged by the National Reconciliation Commission, have talked with the URNG, are hereby informing the Guatemalan people and the international public:

1. The Oslo agreements stipulate the participation of the various sectors of Guatemalan society in the peace efforts on the grounds that the domestic armed conflict, although directly pitting the rebels and the government against each other, is a national problem, as is the search for peace.

2. On 24 October we sent a letter to the president of the Republic and the governmental commission, which had been talking with the URNG, to ask for an opportunity to discuss the peace process and to express our views on the matter. We sent a copy of the letter to Monsignor Rodolfo Quezada Toruno and the other members of the National Reconciliation Commission. Because of the importance of the situation for all Guatemalans, we pointed out that a meeting should be held prior to 11 November.

3. Despite the civilian sectors' voiced willingness to contribute to peace, the government failed to reply to our request, ignoring civilian society's role in the current pacification and democratization of our society. Because of this, we deemed it imperative to report this stand in public because it does not contribute to establishing more firmly the democratic process and peace.

4. We hereby reiterate our efforts to find a peaceful and legal solution to both the domestic armed conflict and the causes that have deteriorated the population's standard of living.

This document is signed by all the representatives of the organizations here. The purpose of requesting a meeting with the president, as we mentioned in our previous communication, is to express the following:

The internal armed conflict that for more than 30 years has polarized Guatemalan society with the resulting loss of human lives and the economic, political, and social cost, has led the various areas and institutions of Guatemalan society to seek mechanisms to end this confrontation and its underlying causes. The area presidents, in accordance with recent historical experience in Central America and interpreting the aspirations of their peoples and the international community as expressed in the Contadora Agreement, convened a peace process in which the sides directly involved have so far made a number of statements. During the talks between the government and the URNG and, previously, the talks between the civilian sectors and the rebels, the common factor has been the search for peace.

At this time, more than one year after talks started with the guerrillas, we, as representatives of Guatemalan society, reiterate our concern over the fact that little progress has been made, at least not so much as we expected, regarding achieving civilized and peaceful agreements in the framework of the Guatemalan legal system. We should be farther from war and nearer to peace. None of the sides in conflict has met the genuine aspirations of civilians. We think that not enough progress has been made, although there is a favorable climate, as expressed by the majority of the population and the international conditions leading to agreements for democratization, peace, and disarmament.

The Oslo agreements wisely stipulate the participation of the various sectors of Guatemalan society on the grounds that the internal armed conflict, although directly putting the insurgents and the government against each other, is a national problem. We have observed, however, that in the current stage of the talks, the participation of sectors desiring to help the country's pacification and development has been postponed. This stand has again and again been presented to the National Reconciliation Commission and the public with the sole purpose of achieving the peace that Guatemalans need to establish democracy with justice and well-being for all.

We respectfully demand that the following points be taken into consideration in the government-URNG talks:

1. Immediate cessation of armed actions.
2. All social sectors should be summoned for a national consensus.
3. The current negotiations should be speeded up.
4. Elections for a national constituent assembly should be convened keeping in mind the constitutional reform agreed on in El Escorial.
5. A program should be established to incorporate into national life those sectors directly involved and affected by the conflict.

In addition, we will demand that the URNG study these proposals.

Bomb Explodes Near Military Garrison in Capital

PA1611040691 Guatemala City Teleonce Television in Spanish 1800 GMT 15 Nov 91

[Text] A bomb exploded in the early hours of 15 November at a medical center located near the Honor Guard military garrison and the military medical center in Guatemala City. The explosion occurred at 0445, causing considerable damage initially estimated at 1 million quetzales. No victims were reported, although the blast caused general alarm in the neighborhood.

The facilities that were more severely damaged include the clinics of Doctors Alfredo Menegato and Eduardo Igorria. Vehicles that were parked on adjacent streets were also damaged, as well as other cars in the residential area. The two doctors' clinics are in Building 3-09, Fourth Avenue, Zone 10, one block south of the Honor Guard and one block east of the Beige House, which for several years has been the residence of the defense ministers.

The sound waves shattered windows and glass doors in some nearby buildings. Firemen who arrived at the scene inspected the area and confirmed that there were no victims as a result of the explosion. The blast caused special alarm at the military medical center, located two blocks south of the site of the explosion. Army personnel receive medical attention at the center.

National Police bomb experts began investigations to determine what type of bomb was used. Officers and soldiers of the Honor Guard Military Brigade were mobilized, previewing the possibility of a second explosion. Based on the conclusions reached by Army experts, the explosive device consisted of a propane gas metallic cylinder with a time bomb. The explosion made a whole 32 inches long and 15 inches wide in the sidewalk in front of Building 3-69 in Zone 10. According to military experts, the shrapnel fell more than 100 meters from the site of the explosion.

Approximately four months ago, military bomb experts deactivated a bomb in this same area; that bomb had been made with propane gas and several dynamite sticks connected to an electric detonator.

So far no organization has claimed responsibility for this terrorist action.

A report from the Fire Department noted that in addition to the damage caused to clinics and residences in the area of the explosion, electricity and telephone lines were

also affected. The Army believes that this action was carried out to mark the anniversary of the 3 November revolutionary movement. A communique issued by the military institution deplored the fact that it affected citizens' security, damaged medical facilities, and hampered the peace process.

Government Condemns Attack

PA1811024291 Guatemala City Teleonce Television in Spanish 1800 GMT 15 Nov 91

[Text] Manuel Conde, general secretary of the Presidency and head of the government delegation to the talks with the Guatemalan National Revolutionary Unity [URNG], declared at noon on 15 November that the government condemns the terrorist attack carried out early in the morning of 15 November in Zone 10.

[Begin recording] [Conde] The point is that if the rebels are again engaging in terrorist and other actions that do not contribute to the ongoing peace talks, this is a source of concern. The fact that a hospital has been attacked is a special source of concern. The guerrillas have been saying at the negotiating table that it is necessary to respect the wounded. Now they carry out this sort of attack. It is regrettable. This kind of action has to be condemned.

Every time they use the kind of device they have used, they endanger the lives not only of those against whom they direct their attack but also others. Imagine if that device had fallen on a house, or a business, or an apartment building. It would have been the civilian population who would have been hurt, and civilians have nothing to do with this confrontation.

This kind of action detracts from the URNG claim that it is an insurgency movement. Insurgency implies an ideological struggle that is backed by a domestic armed confrontation. But this type of action, which means terrorism and urban sabotage, places on them the adjective I mentioned: terrorist. The people who do this kind of thing are zappers. This kind of act is not part of an ideological struggle or strategy. This kind of act is typical urban terrorism.

[Unidentified reporter] On 14 November the National Reconciliation Commission held a meeting to urge the government to speed up the peace process.

[Conde] We, the government, view with much sympathy the fact that civilian sectors are again meeting around the same table. President Serrano and I have been working directly and firmly for three years for the national dialogue. It has been a very positive experience. The fact that the civilian sectors are returning to their natural home, the National Reconciliation Commission, makes me very happy.

It is important for the various sectors to unite and to discuss matters of national importance. Now the civilian sectors have spoken in favor of speeding up the peace process. We, as the government, are aware of the Guatemalan people's desire to see the peace process make progress and achieve positive results. We have been making efforts in this regard. We are going through a difficult phase of the process. This does not mean that the process is stagnant or broken. On the contrary, the fact that we are encountering some difficulties means that the process is making progress, significant progress, because we are now touching issues that are making plain some level of disagreement. This means that the process is making progress.

If you tell me that it is not moving as fast as the people would like, as we would like, I would agree. It is true. The people have a right to believe in the process but they also have a right to stop believing if they do not see any positive results.

This means that we view with sympathy the remarks made by civilian groups. They have requested to meet with the peace delegation and with President Serrano, and we are going to coordinate these meetings in the next few days. [end recording]

Honduras

Police Confiscate Weapons for Salvadoran Rebels

PA1511190191 Tegucigalpa LA TRIBUNA in Spanish 13 Nov 91 p 44

[Text] Honduran police announced on 12 November that another transshipment of ammunition and communications equipment was intercepted at the customs post in Guasaule, Choluteca Department. A Salvadoran was arrested.

The shipment was carried in a blue pick-up, which police stopped at 1230 on 11 November while crossing the border.

According to Public Security Force Spokesman Captain Cesar Augusto Somoza, 5099 rounds of 5.56-mm ammunition in cases for M-16 rifles were confiscated. He refused to give the name of the Salvadoran who was arrested or the license plate number of the pick-up.

In addition, there were 51 "walkie-talkies," 51 radio antennas, 51 carrying cases, (?coaxial antenna cable), 25 yards of slow-burning fuse, 37 electric detonator caps, and two radio earphones.

The spokesman said the vehicle entered from Nicaragua and was headed for El Salvador, "which confirms the transshipment of weapons for Salvadoran guerrillas via Honduran territory. Measures have been taken to detect the shipments, the spokesman added."

Authorities in southern Honduras confirmed that Jose Arnulfo Beltran is the Salvadoran. He was arrested in a blue pick-up with Salvadoran license plates 164-752.

This is the second shipment police confiscated in the area. On the afternoon of 10 November, police confiscated a green 1986 station wagon with license plates 1979-095, driven by Salvadorans Gonzalo Iraheta, at large, and Jorge Anibal Diaz, who is under arrest.

Temporary Asylum Granted to 250 Haitians

PA1611234991 Mexico City NOTIMEX in Spanish 1914 GMT 16 Nov 91

[Text] Tegucigalpa, 16 Nov (NOTIMEX)—An official source reported today that the Honduran Government has agreed to give "temporary lodging" to a group of up to 250 Haitians who were rescued at sea a few days ago. The Haitians are currently at the U.S. Guantanamo Naval Base in Cuba and on Caicos Island, the source added.

Honduran Foreign Minister Mario Carias Zapata told NOTIMEX over the telephone that his country's decision is based on its international policy of cooperation. According to the foreign minister, Honduras joins a group of nations that, in an international humanitarian effort, are receiving the Haitians who have fled their country since the ousting of President Jean-Bertrand Aristide. He added that the group of Haitians would probably arrive at La Ceiba Airport in northern Honduras on 17 or 18 November. The Haitians will then be transferred to the port of Trujillo in the Honduran Caribbean area, the foreign minister reported. Foreign Minister Carias Zapata said that the Haitians will not have refugee status, but become "international aided people" [asistidos internacionales].

The Honduran Government, thus, responds to the request made by the UN High Commissioner for Refugees to aid a group of approximately 700 Haitians who have fled their country, the foreign minister noted.

Carias Zapata also said the 250 Haitians will be housed in tents.

Nicaragua

President Chamorro Condemns Recent Violence

PA1611014591 Managua LA PRENSA in Spanish 13 Nov 91 pp 1, 16

[Speech by President Violeta Chamorro in Managua on 13 November]

[Text] Dear Nicaraguans:

I have closely reexamined a video recording of the depressing events of the past weekend and with a heavy heart I feel I should address all Nicaraguans to share with you the thoughts, feelings, and reflections that these savage acts have produced in me.

Having analyzed those events with the members of my cabinet and having meditated before God and the Virgin Mary on my position as president of Nicaragua, my conclusion has once again reiterated the validity of my national reconciliation policy. Those barbaric actions violated the memory of persons who deserve to rest in peace, and public property was destroyed in just a few hours. That is the difference between reconciliation and violence. Through reconciliation, the nation can attain a state of dignified economic welfare, a consolidation of true national unity, and a lasting peace. Through violence, the nation's sole outlook is destruction, poverty, hunger, and death.

There is something else. Violence—which is extremism based on terror—has no future in Nicaragua, America, or today's world. It is a vulgar deception that does not beget power; it begets popular and international rejection. Violence only leads to crime, barbarism, and backwardness. Our people understand this well; they punish and condemn violence. Nicaragua's worker and peasant majority know that those demonstrations of savagery only distance them further from the possibility of attaining a better life, a better salary, and a better future for their children. The 18 months that my government has devoted to securing an understanding among my people regrettably now faces a culture of violence. Regrettably, there are still Nicaraguans with poisoned minds; they want to preserve this culture of violence and death as a means of imposing their will.

Moreover, to call for a permanent fight against Somozism, after 10 years of a Sandinist Revolution, is an excuse to fan old fires and is an insult to intelligence. To wave that flag and to accept that Somozism still exists in Nicaragua is an insult to the Sandinist Front, because it implies that it was incapable of closing that black chapter of Nicaraguan history. To talk about fighting Somozism in 1991 is to maintain erroneously that there was never a revolution in Nicaragua and to accept openly that we lost 10 years of history. To suggest that under my government Nicaragua aspires to return to Somozism constitutes an unacceptable offense to the memory of my husband Pedro Joaquin Chamorro Cardenal, the martyr of public freedom. Pedro Joaquin Chamorro Cardenal's wife will never forget or betray his memory. Pedro Joaquin Chamorro Cardenal's wife is here to keep that memory alive and to wave the republican and democratic banner.

We must understand that the national reconciliation policy is not only the government's responsibility, but also the responsibility of all Nicaraguans who know and believe that their efforts to build a new Nicaragua requires that they turn their backs on left-wing and right-wing extremism and face the present national project of forging a nation. We must convince ourselves that the government alone is not responsible for forging a new nation, democracy, and a state of law. Democracy is not only the government's responsibility, but the responsibility of all Nicaraguans. All Nicaraguans influence public opinion and must answer to God and the nation for their actions. Nicaraguans need influential leaders to show them that the best way to settle their

differences is through dialogue, which is a democratic option in the new Nicaragua.

We know that those people who do not care about economic reactivation, those who do not know how to assume their role in a democratic society, and those who want to call attention to themselves by resorting to violence are all sick. They suffer from a disease similar to cholera, which should be eradicated from Nicaragua through the efforts of the vast majority of Nicaraguans who want peace and economic welfare. I ask all Nicaraguans to cooperate and inform police authorities as to the identity of those who masterminded these calamities.

Let us not fall into the extremists' trap. Let us turn a deaf ear on the commotion and propaganda of those persons who cannot free themselves from the culture of war. I do not have and I do not want armed groups at my service. I want us Nicaraguans to use our heads and live realistically. Nothing is greater than peace, nothing is more fertile than peace, nothing makes man more human than peace.

Provocations by extremist groups, and by those who unjustly accuse me of turning my back on my people to pursue a dialogue, will not change my decision to follow peaceful methods of tolerance and persuasion to comply with the government program, which I have pledged to carry out.

Let us open our arms to those political parties that accept my government's call for a national dialogue. Let us all make the state of law possible. Let us all make justice possible. Let us all help Nicaragua rely on the intelligence of dialogue and conciliation, not on the stupidity of arms and violence.

Together we must all defeat barbarity and we shall.

Cesar Urges Government Policy Review

PA1511165391 Managua LA PRENSA in Spanish 11 Nov 91 p 8

[Article by Juan Navarrete]

[Text] National Assembly President Alfredo Cesar stated on 11 November that it seems as if the government has lost its authority. He called upon the Nicaraguan executive branch to urgently review its political strategy to avoid further chaos and civilian anarchy.

Mr. Cesar commented that "the wave of Sandinist-promoted violence has been the most significant ridicule received by the government from the FSLN [Sandinist National Liberation Front]." He also said that it is incomprehensible how, after conducting talks with the FSLN for four days, Daniel Ortega could start calling for disobedience and rebellion.

The head of the National Assembly said that it is necessary for the government to review the strategies and agreements made with all sectors with which it has conducted talks. This was a clear reference to the need to contemplate the FSLN's lack of credibility.

Commenting on the wave of violence that took place on 9 and 10 November, Cesar pointed out that as long as Nicaragua's military and police high command continue to enjoy the benefits of political immunity, it will be impossible to rely on a public force that does not defend the interests of a state of law.

In clear reference to General Humberto Ortega and several other police chiefs, Mr. Cesar said that "there should be some disciplinary measures taken against those military officers who do not enforce Nicaragua's laws."

He also added that "there should be some type of disciplinary measure for any military officer who does not carry out his obligations, including the possibility of 'dismissal from his command.'"

Cesar questioned the attitude adopted by Ortega as head of the Armed Forces, stating that it is inconceivable how the Army could have been kept in its barracks under conditions as serious as those present on 9 and 10 November.

He also stated that the government cannot allow the state of law to be violated at will. "Ortega and the Sandinists cannot impose a frivolous state of law on the government."

Cesar called upon the government to urgently review its strategy toward the Sandinists. He expressed his opinion that the meeting between the executive branch and the 14 National Opposition Union parties to take place on the afternoon of 11 Novermber will be extremely important for the political future of Nicaragua.

The National Assembly president stipulated that it would seem that the government does not count with a public force that will stand up to all acts of vandalism. He also stated that, even though it would be premature to venture an opinion on the possibility of requesting a multinational force, the issue has been discussed on several occasions and there has been the need to apply this measure in other countries.

H. Ortega Says Ready For 'Emergency Situations'

PA1611022691 Managua Radio Nicaragua Network in Spanish 1815 GMT 13 Nov 91

[Text] General Humberto Ortega, commander in chief of the Sandinist People's Army [EPS], has said that the Army and the Government Ministry are ready to face emergency situations, such as the events of 9 November. Due to those events, Army troops remain on alert to answer any call that requires the Army to restore public order, Gen. Ortega added. Ortega also said that the country must depolarize and depoliticize so that Nicaragua may emerge from its underdevelopment.

[Begin recording] [Ortega] Both the police and EPS have been making plans to help bring peace to the countryside. This is where the peasants suffer the most and where many people have died. As we all know, last year and this year the police had to face conflicts in urban centers. During the latest incidents in Managua, the police did all they could and were very professional. I have spoken with both the police force and the government minister to evaluate matters and ensure that things are kept under control and do not become chaotic; this would only harm the country. The Army keeps in constant touch with the police to give support if necessary.

[Unidentified reporter] Is there any Army cooperation taking place right now?

[Ortega] At this moment there is nothing much going on. The police were able to cope on their own during the past weekend. The Army remained on alert, but the police were able to control things on their own. [end recording]

Gen. Humberto Ortega said that the Army is always willing to cooperate with Government Ministry authorities during emergency situations such as those that took place last weekend.

[Begin recording] [Ortega] Some of the problems we have to deal with are the recompas in the countryside and urban problems such as the terrorist attack on Commander Carlos Fonseca Amador's tomb. All this requires preparation and we try to strengthen as time goes on to better face these situations together. There is no need to request support because this already exists in preestablished plans.

[Unidentified reporter] What is your opinion on the recent decision not to abolish the Army?

[Ortega] I believe that right now the important thing is that Nicaraguans have decided to sit down and talk. The government, as the entity responsible for leading the country, met a few days ago with the Sandinist Front's directorate—the country's most important opposition party—and has now begun talks with UNO [National Opposition Party] parties. This shows that through dialogue and constant communication, the conflictive atmosphere is left behind. This shows that through civilized mechanisms, Nicaraguans can find solutions to the serious problems that still afflict Nicaragua.

I think we all agree that the biggest problem affecting us is the lack of security and the climate of violence that still prevails in the country for various reasons. We have made great efforts to fight this, but it is difficult to cast aside such a cruel and politically polarized war, such as the war in Nicaragua. However, we have made some headway lately. From February 1990 to now we have made advances in disarming civilians. Thousands of arms that were in the hands of civilians or in the hands of irregular groups are now being properly regulated by the military.

I believe that even though the recent events were serious, these should not alarm us excessively. We must avoid falling into some sort of a psychosis. The media has distorted the situation, and this is being projected abroad. The media makes it appear as if we were not trying to attain peace and eventually achieve the economic capabilities we previously had.

The previous government struggled for so many years and we will continue to struggle so that we can attain peace and economic stability. We are seeking total pacification, and it is difficult to establish all conditions that will lead to a true economic recovery and political stability so that all Nicaraguans can rescue the country from its underdevelopment. [end recording]

Hurtado To Investigate Police Role in Violence

PA1711233491 Managua Radio Nicaragua Network in Spanish 1815 GMT 13 Nov 91

[Statement by Government Minister Carlos Hurtado at the National Assembly in Managua on 13 November; recorded]

[Text] We are shaping a commission that will be in charge of clearly establishing if the Police Department has any responsibility with regard to the recent acts of violence. This commission will investigate charges against the police department.

I have invited the president of the Legislative Assembly's Commission of Defense and Government to appoint, on behalf of this commission, two members to the investigatory commission, which will be chaired by Deputy Government Minister Dr. Jose Pallais and is composed of Dr. Ulises Somarriba, head of the Professional Responsibility Department of the Government Ministry; Regiment Commander Jose Figueroa; Commander Bosco Alvarez; and Captain Dr. Alfonso Valle.

The task of this commission will be to investigate and determine if any fault was committed by the police and to make charges against policemen who may not have acted correctly.

We have to establish if any fault was committed and, if so, we have to apply whatever sanction is due.

I want to report that on 12 November in Matagalpa, where I found a tense situation, I was told after the installation of the disarmament brigade there, during an unscheduled meeting requested by some politicians, that some policemen had acted incorrectly. The Matagalpa people mentioned the case of Deputy Commander Capt. Najar who, according to these people, participated in the violence. This is a charge that will be carefully investigated.

Godoy on Prerequisites for Tripartite Dialogue

PA1711155191 Managua BARRICADA in Spanish 15 Nov 91 p 7

[Marcio Vargas report on interview with Vice President Virgilio Godoy by unidentified reporter; place and date not given]

[Text] Vice President Dr. Virgilio Godoy apparently cooled a much publicized announcement of a national tripartite political dialogue among the government, National Opposition Union [UNO], and Sandinist National Liberation Front [FSLN] when he said on 14 November that there are certain "prerequisites."

"There has been some kind of mistake here, because so far there is only a letter of intent to assess the possibility of establishing a dialogue between UNO and the government and then later see whether to initiate other dialogues," Godoy stated.

After attending a solemn and monotonous National Assembly session at the invitation of his former fierce political opponent Alfredo Cesar, Godoy was even more pessimistic about the closeness of the so-called "chicken foot" dialogue, pointing out that there must first be "an effective disarmament" of civilians in the country.

"Every time you journalists ask about this, the Government Ministry answers that there are between 80,000 and 100,000 weapons out there that are out of control," the vice president said.

"Therefore, disarmament is a prerequisite because there can be no dialogue in a country that is armed to the teeth," he added as he turned around for a moment to wave to Labor Minister Francisco Rosales, his former political partner.

"How are you?" Rosales asked. "Hi, doctor," was Godoy's rather cold reply, even though he was unusually smiley yesterday and even gave a loud public embrace to Dr. Sergio Ramirez, his successor in the vice presidential post and chief of the Sandinist bloc at the National Assembly.

Despite the smiles and one or two sarcastic jokes, Godoy insisted on steadfastly downplaying the optimism that certain political circles felt about the dialogue until yesterday.

"We have always supported dialogue," he said, because "it is a tool that we are obliged to use."

He added that "we are currently advocating a rapprochement between UNO and the government to see whether there is a possibility for dialogue."

[Reporter] UNO and the government, are they not the same?

[Godoy] "The government does not belong to UNO, and you know that."

[Reporter] The government is therefore not complying with the UNO program?

[Godoy] "The UNO government program has been used, but only selectively; certain aspects have been used selectively."

[Reporter] If a tripartite dialogue is set up, would you be willing to talk with the FSLN?

[Godoy] "If the FSLN is interested in the dialogue, because as the saying goes: There can be no wedding if one of the two do not wish to marry. We would have to see whether they want a dialogue".

[Reporter] The FSLN is an organization that has been unable to adjust to civilian life.

[Godoy] If the Sandinists believe that dialogue means torching the people's property, then..."

[Reporter] If you had been president when the violent disturbances of 9 November broke out, what would you have done?

[Godoy] "Enforce the law...always enforce the law."

[Reporter] After the 11 November agreements between UNO and the government, do you still maintain that the Army must disappear?

[Godoy] "It makes no sense to maintain an Army here. What we need is a police force that is technically well-trained and civically educated."

[Reporter] But you agreed with the government that the Sandinist People's Army would continue to exist, but your party is against this?

[Godoy] We did not call for an instantaneous elimination of the Army but a gradual process to achieve that end. That is how we think.

FSLN, UNO Deputies Join To Sustain Veto

PA1711015991 Managua BARRICADA in Spanish 14 Nov 91 pp 1, 10

[Article by Roberto Larios]

[Text] Ten UNO [National Opposition Unity] deputies yesterday joined the Sandinist wing of the Legislative Assembly to defeat by 49 to 41 votes the override of the presidential veto of the law for assigning former EPS [Sandinist People's Army] installations.

Sustaining the veto is a serious blow to Legislative Assembly President Alfredo Cesar, while it sends a clear message that the executive branch has rounded up enough votes in the Assembly to defeat, together with the FSLN [Sandinist National Liberation Front], the unconstitutional "Property Law."

Cesar was forced to put off—allegedly until 14 November—the override of the veto of Law 133, although he

had already "leaked" to the press that it was to be presented on 13 November.

The day was marked by intensive negotiating and lobbying among the deputies, the Legislative Assembly president, and the Presidency minister with regard to the Property Law, while members of the so-called "government group" charged that they are being pressured by the Legislative Assembly president.

The 10 [UNO] deputies who supported the executive branch with their votes were: Juan Gaitan, Alejandro Solorzano, Andres Robles, Ivan Madriz, Guillermo Chavarria, Alejandro Perez Arevalo, Victor Manuel Talavera, Adilia Sirias, Daniel Tate, Delvis Montiel, and Alvin Guthrie.

Andres Robles was ousted yesterday from his party, the Social Democratic Party—Alfredo Cesar's party—for voting in favor of the government on 12 November.

After the voting was concluded on the second veto on the agenda, Cesar went to his office and called, one by one, the majority of the deputies that had voted in favor of the government.

At that meeting, Cesar reportedly had "invited" them to "reconsider" their position, warning them that he had already "come to terms" with the Sandinists and the government and that they (the deputies) would be left out on a limb.

After the 10 deputies left Cesar's office, they crossed the street to the presidential palace where they met with Antonio Lacayo.

At the same time, U.S. Ambassador Harry Shlaudeman—who for the third consecutive time appears at the government complex at the crucial time of the Property Law debates—was also entering the presidential palace.

The ambassador refused to tell the reporters the reason for his visit, stating it was "routine." Nevertheless, since no Foreign Ministry official attended the meeting, it was assumed that his visit to Lacayo was of a private nature.

In the afternoon, sources linked to the Legislative Assembly's president confirmed that the veto of the Property Law would not be presented to the Assembly in full and they even pointed out that Cesar already knew he would be defeated if the issue was voted on.

Nevertheless, as this edition goes to press, the news spread that the executive branch had already sent its proposal on the reforms to the Property Law, which would prevent debate on the veto. This news spread after Alfredo Cesar held an urgent meeting at 1700 in his office with [Deputies] Miriam Arguello, Eli Altamirano, Carlos Manuel Lopez, and Hernaldo Zuniga, among others.

After the meeting, they joined the full Assembly and Cesar suspended the session that is to be continued at 1500 on 14 November. In the morning, Central American Parliament President Roberto Carpio Nicole will be honored.

The rumor about sending the reforms to the Assembly was cited as a possible "way out" for Cesar, to which Lacayo would be willing to consent given that his differences with Cesar "are reconcilable," thus avoiding Cesar's defeat on the veto issue.

* Editorial Views Worsening Social Situation

92P40056A Managua EL NUEVO DIARIO in Spanish 30 Oct 91 p 4

[Unattributed commentary: "The Fuse Is Growing Shorter"]

[Text] The social problems are growing worse day by day but the chance of finding the slightest solution has yet to manifest itself. On the contrary, the outlook is even gloomier.

The UNO [National Opposition Union] government sticks tenaciously to the formula of the Structural Adjustment Plan designed by the IMF, pulverizing flesh and bones, using the lure of an economic recovery which never arrives.

Trapped between layoffs and miserable wages, workers are going on strike to demand immediate solutions to their most basic needs.

But the government not only denies wage hikes and continues to fire workers, but also fails to fulfill the commitments signed in the touted National Dialogue which, the workers argue, the government established simply to support its efforts to seek financial assistance from the international organizations.

What is most demoralizing about this is that, in the face of accusations of corruption in State institutions made by unions, those in a position to put an end to abuses simply cross their arms and, if they do choose to talk about the issue, talk around it.

While the workers are beset by an infinite number of needs, they observe others who, growing rich and increasing their wealth, very calmly show off the abundance and luxury in which they live.

The wealth of consumer goods in the stores belies the tragedy of thousands who are forced to rummage through trash cans in order to find food, regardless of health concerns, because their stomachs clamor for something to appease their hunger.

These are the parameters of a consumer society whose majority cannot consume, but which satisfies a small minority which does have the money, well or ill-gained, to live pleasurably.

How long will this situation continue? No one knows. What we do know is that we are sitting on a powder keg whose fuse is growing shorter each day.

Finance Minister Presents 1992 Budget Proposal

PA1711221491 Managua BARRICADA in Spanish 16 Nov 91 pp 1, 5

[Report by Roberto Larios]

[Text] Finance Minister Emilio Pereira on 15 November asked the National Assembly to declare a "political truce" in 1992 as an indispensable condition for the country's economic recovery.

Pereira submitted the government's General Expense Budget proposal for assembly approval on 15 November. The proposal totals some 2.5896 billion cordobas for the coming year and is set forth as the "central piece of the Economic Plan, prepared comprehensively with the monetary, exchange, and economic structural adjustment policies."

The budget will be financed as follows: regular funds, 1.887 million (72.9 percent); 606 million (23.3 percent), with external funds; capital surpluses, 99 million. A total of 81 percent of total external funds will come from grants and 18.2 percent will be in loans "on very flexible terms."

The items on the government's draft budget that absorb the highest portion of the loans are in the social sector, especially health and education. For health expenses 365.3 million cordobas are budgeted, 21.9 percent of the total.

Education will get 274.6 million, and includes "partial" financing (8 million cordobas) for the application of the Teachers' Career Law.

Other institutions in the social sector, which absorb 10 percent of the total budget, are university grants, social welfare and pensions, the Technological Institute, public administration, culture, sports, and teacher and student allowances.

Pereira proposed that 113 million cordobas be assigned to the universities—6 percent of their regular income—and said this constitutes a 35 percent increase over 1991.

Another high item on the government's proposal is capital expenditures and investments. These represent 25 percent of total expenses, which is equal to an increase 3.6 times greater than the same item on the 1991 budget.

The increase is due to the implementation of a broad public investment plan, of which the central government will carry out 48 percent (606 million cordobas), while the rest will be done by the autonomous entities, the Emergency Fund For Social Investments [FISE], and by the municipalities, among others.

Investments include, among others and according to priorities, energy infrastructure, telecommunications, and transportation. Additional investments of about 35 million cordobas in education and 50 million in health and environmental sanitation will be channeled through the FISE.

Expenditures budgeted for defense and national security present a gradual drop and redistribution of funds to the social sector, Pereira pointed out. During 1990, defense spending was 41.8 percent of the total budget. In 1991 it was estimated at 25.8 percent and for 1992 a drop to 22.8 percent is being proposed.

There are 205 million cordobas listed for defense—equal to 12.3 percent of the total—and 165 million for security, which is 9.9 percent, 22.8 [as published] percent in all. This amount is less than half that assigned to education and health.

According to the proposal, the branches of state would be as follows: presidency, 63 million cordobas; National Assembly, 38 million, Supreme Court of Justice, 36 million; and Electoral Tribunal, 12 million cordobas.

Ceremony Held to Install Disarmament Brigade

PA1711225991

[Editorial report] Managua Radio Nicaragua Network in Spanish at 1631 GMT on 15 November carries live from Matagalpa, Matagalpa Department, the 35-minute ceremony to install the Special Disarmament Brigade comprising 350 Nicaraguan Resistance [RN] members, Sandinist People's Army [EPS] soldiers, policemen, recontras, and recompas, who will "work to disarm civilians." Among those attending the ceremony are President Violeta Barrios de Chamorro; Presidency Minister Antonio Lacayo; Government Minister Carlos Hurtado; Mayor General Joaquin Cuadra, chief of the general staff of the EPS; "other distinguished government officials;" the diplomatic corps and military attaches; and members of the International Support and Verification Commission. The ceremony begins with a statement read by brigade member German De Leon, "on the Special Disarmament Brigade's pledge of honor."

After reading an introductory paragraph, De Leon states: "We pledge the following:

"1. To voluntarily join this Special Disarmament Brigade.

"2. To obey, comply with, and enforce the laws and regulations that give life to the Special Disarmament Brigade.

"3. To behave in an unbiased manner in fulfilling the disarmament mission.

"4. To respect my fellow brigade members and the people in general.

"5. To respect the country's international commitments.

"6. To respect human rights and (?enforce) international accords and our laws.

"6. [number as heard] To respect human rights in strict compliance with international and [word indistinct] accords.

"7. To protect state property and [word indistinct] and respect property in general." When De Leon finishes, a station announcer describes two recompas and recontras handing over a rifle to President Chamorro, "as a sign that they will be in charge of disarming civilians and respecting the Constitution."

At 1639 GMT, Government Minister Hurtado begins a nine-minute speech. After outlining why the Brigade was established, as a means to provide security to all Nicaraguans, he credits President Chamorro "for her significant contribution in establishing the brigade, which encouraged and committed us to fully implement her government's message of peace."

He continues: "I also want to recognize the Army and the police for their indispensable cooperation in the success of this undertaking, which they have joined in a professional and disciplined manner, contributing their knowledge and experience at all times." Hurtado recalls that the disarmament process has been conducted in different phases and aims at reversing the trend that put weapons into the hands of the people, as a "result of the large-scale and long-standing armed conflict in the 1980's, and of the disorderly distribution of weapons that took place following the National Opposition Union's electoral victory." "Although it is very hard to tell how many weapons are in civilian hands, we feel that estimates ranging from 80,000 to 100,000 are not too far from the truth," he stated. The government minister begins to list the different phases that the disarmament plan has gone through since President Chamorro announced it, including "the general reduction of the Army and the disarming of civilians."

Hurtado adds: "On 27 November 1990, a presidential decree established the National Disarmament Commission, comprising the Presidency and government ministers, the EPS chief, and delegates from the RN, the Catholic Church, other churches, and political parties," who worked to collect weapons from civilians and destroy them. "During these phases, approximately 60,000 weapons were collected. As a third phase, and in compliance with a presidential mandate, the National Security and Disarmament Commission was established, chaired by the Presidency minister," he says.

"To date, this commission has, in turn, established several departmental and municipality commissions and today, in this ceremony, we are overcoming the errors we may have made in previous phases. Despite these flaws, we have reaped benefits. We decreased the number of weapons in civilian hands, totaling several thousands of weapons of all sorts," he says. He adds that the government has chiefly tried to disarm civilians "through dialogue and persuasion of all those sectors that do not want war."

He concludes by calling on people from all political, social, and religious sectors to cooperate with this brigade.

The last speaker is Violeta Chamorro, "the president of national reconciliation," who begins an eight-minute speech at 1650 GMT. Mrs. Chamorro says: "The 1980's will be remembered in our country as the decade of sorrow and tears when so many Nicaraguan brethren died in the past civil war." She points out that "the majority of our current national problems are the result of this decade of sorrow, of those years of war and violence. As I address you today in Matagalpa, I also want to convey my message of peace and reconciliation to all Nicaraguan homes. I never get tired of saying these words: Peace and reconciliation."

After noting that "we have covered a significant part of the program for the country's demilitarization and are working with the people for the total disarmament," President Chamorro recognizes the solidarity of the OAS member countries and Italy in achieving demilitarization. She stresses that 24,000 men and women have turned in their weapons as a result of the agreements signed between the government and the RN fighters. This "action of sincere reconciliation led to the general plan for the reduction of our Army, which has been reduced so far by nearly 21,000 men," Chamorro cites.

She then summarizes the work done so far within the National Plan of Reconciliation and the Disarmament Plan. "The first phase was jointly carried out by the Army and the police as of July 1990," she recalls, when they collected the weapons that were in the hands of the reserves, militias, self-defense groups, state production units, farming cooperatives' members, and private citizens. Chamorro adds the National Disarmament Commission was created in the second stage of the plan, which culminated with the destruction of nearly 50,000 weapons at the Peace Monument in Managua.

"A new stage will be developed in this important national project," Chamorro says, adding that this "requires the participation of all citizens in the security commissions that will rely on this new and efficient instrument, the Disarmament Brigades." Brigade members "will have to visit our cities and rural areas, working to disarm all civilians, regardless of their ideological and political position," Chamorro comments, stressing "it is important to carry out this third phase of the plan with moderation and patriotic feelings, closing all doors to resentment, forgetting rivalries, and resisting political revenge."

After pledging the support of the Nicaraguan people and government to her "dear boys in this noble task," President Chamorro emphasizes the results of these

efforts will be enjoyed by future generations who deserve a "more prosperous and happy Nicaragua."

At the end of Chamorro's speech the national anthem is played. The announcer says that Chamorro will "now preside over a weapons destruction ceremony."

Chamorro, Lacayo Open Economic Meeting

PA1511145291

[Editorial Report] Managua Radio Nicaragua Network in Spanish at 1600 GMT on 12 November carries a 23-minute live broadcast of speeches by President Violeta Chamorro and Presidency Minister Antonio Lacayo at the opening of a meeting between the Nicaraguan Government and representatives of the cooperating community, a group of countries offering economic assistance to Nicaragua, at the Cesar Augusto Silva Convention Center in Managua.

The moderator introduces President Chamorro. She begins her speech by "conveying the thanks of the Nicaraguan Government and people to the cooperating community for its generous support and constant encouragement, which have been essential in advancing the construction of democracy and a solid economy."

Chamorro points out that her country is determined to accept the challenges before it, even after having gone through a long and bloody civil war and despite a ruined economy and a polarized society.

She adds that her government has from the outset made efforts to attain peace and economic stability. The government has also believed from the very beginning "that concerted efforts and permanent dialogue involving all social and political sectors are essential aspects of national reconciliation and important factors in enriching and encouraging the country's development."

Chamorro says that her administration has based the relationship between people on respect for their differences. It has used civic and legal means to enforce the law without excluding anyone. The fatherland should show no preference for particular citizens.

The president states that Nicaragua is facing a special situation, and "we are aware of the positive response of the international community to our request for special treatment. For this reason we have defined national programs based on national priorities to which representatives of my administration will refer during this meeting."

Chamorro points out the need to encourage the creative capabilities of the Nicaraguan people. This will be possible "through the active participation of each one of us and through the support of the international community, which has opened its heart to us with so much kindness and unselfishness. Because of this, we have tidied up our economy and public finances."

The president notes that Nicaragua must overcome obstacles such as the heavy burden of its foreign debt to obtain fresh resources to finance the country's development. She adds that Nicaragua hopes to find an economic model that reflects its reality and bring about a full recovery of the economy.

Chamorro says that she is sure that this meeting will be successful and clearly define the country's needs. She adds that the "authorized opinions of the cooperating communities will bring important contributions to our proposals."

She states that the Nicaraguan people are grateful for the firm and constant support that our friends have given us. In conclusion, Chamorro adds: "I am sure we will work together in the countryside and cities; we will struggle to establish in our fatherland an exemplary economic and social model and a strong and vigorous democracy."

Following President Chamorro's speech, the moderator announces that Presidency Minister Antonio Lacayo will speak about the government's plan and its current situation.

Minister Lacayo begins by saying: "On behalf of the Nicaraguan Government, I want to thank you, the international community and international financial institutions, for making it possible for Nicaragua to receive the necessary donations and required stopgap loans to pay the overdue debts that the country had accumulated for seven years with the Inter-American Development Bank [IDB] and the World Bank." He adds that "by paying off the arrears in September, Nicaragua has managed to restore its status as a country that is up to date in its payments to those institutions. This in turn has made it possible to obtain new credits from the World Bank and the IDB under very favorable terms. This will allow Nicaragua to begin a new phase in its reconstruction. The Nicaraguan people and the international community are creating the conditions for a phase of economic growth in 1992. This will be the first period of growth after seven consecutive years of decline in the GNP and one year, the current year, in which the GNP probably will not drop but will not grow either."

Later in his speech, Lacayo says that "1992 will be the first year of a five-year plan to be implemented from 1992 to 1996. This five-year plan is aimed at leaving Nicaragua at the end of Mrs. Chamorro's administration in the agenda of real democracy, economic progress, and social justice. We want Nicaragua in 1996 to be in a position to enter the year 2000 as a viable, stable nation; a nation that, leaving behind the horrors of war and economic backwardness, can offer to Nicaraguans of the next century what could not be offered during this century. This five-year plan, with its projects and programs, will be presented by the Nicaraguan Government at the meeting of the consultative group, which will probably take place in March or April of 1992 as we have been told by some members of the international community and the banks that have given us their support. By

then we will have left behind the uncertainty we feel today due to the debt that Nicaragua has accumulated with the Paris Club countries. We will also have experienced a complete year of stabilization, a historical record that undoubtedly will help Nicaragua to show the world what we are capable of doing for ourselves."

Recontras Reportedly Kill Ex-Sandinist Soldiers

PA1511185791 Panama City ACAN in Spanish 2334 GMT 14 Nov 91

[Text] Managua, 14 Nov (ACAN-EFE)—Official sources reported today that 20 recontras killed five former members of the Sandinist People's Army (EPS) in Los Bosques, 200 km north of Managua.

A Government Ministry spokesperson in Matagalpa told ACAN-EFE that the recontras, lead by chiefs "Peligro" and "Estrella," entered the town on 11 November, took the former soldiers turned farmers out of their homes, and killed them "one by one as if they were animals."

The source said that one of the victims was identified as Bismark Castillo Picado, who was only 14 years old. The recontras then "calmly" returned to the mountains because there is no military presence in the town, the source added.

In the past few weeks there has been an increase in clashes between recontras and recompas that have resulted in more than 10 deaths.

There also has been tension between the Sandinist National Liberation Front [FSLN] and the Managua Mayoral Office. The office has announced the creation of a municipal police that would break the influence now exerted by Sandinists on the security forces.

The EPS is headed by General Humberto Ortega, brother of Daniel Ortega, the former president and top Sandinist leader, and the National Police is headed by Sandinist "commander" Rene Vivas.

Sandinist mobs were involved in violent incidents on 9 November. They burned public and private property in retaliation for the partial destruction by unidentified persons of a mausoleum that holds the remains of FSLN founder Carlos Fonseca.

Agreement Reached With Striking Sugar Workers

PA1511230691 Managua BARRICADA in Spanish 13 Nov 91 pp 1,15

[Text] Sugar refinery workers finally reached an agreement with the government on 12 November whereby the government has agreed to recognize the workers' 25 percent ownership of the total assets from the sugar refineries, which are scheduled to be privatized. This privatization is scheduled to start on 30 November and will conclude 30 April 1992.

Mario Noguera, a spokesman for the sugar workers, stated on 13 November that the agreement does not mean an end to the strike. During a telephone interview, Mr. Noguera stated that "there are still several issues that must be resolved and there is a possibility that the sugarcane harvest could begin on 14 November."

Mr. Noguera's statements seems to contradict point number 11 of the agreement. That point states that "it is agreed that workers will return to their normal duties once these conditions have been accepted." The government also agreed to respect "worker's stability and not take any reprisals against workers and union leaders who participated in the strike."

Regardless of the date of implementation, the agreement stipulates that workers and management will work the necessary overtime to compensate for the sugar harvest delay and unearned wages.

According to Noguera, the 12 point agreement "is acceptable and within the framework of the National Concerted Agreements." He added that this is what the confederation "has been waiting for."

With this new agreement the government guarantees an ownership option in favor of the workers. Workers can participate in determining the distribution of shares, assets, and profits in the San Antonio, Xavier Guerrra, German Pomares, Camilo Ortega, Victoria de Julio, Benjamin Zeledon, and Julio Buitrago sugar refineries.

Once the final decision to privatize has been made, workers' annual salaries, value of sugar refineries, equity criteria, and preferential treatment for those who receive lower wages will be taken into account to determine workers' shares.

An Agreement Implementation Commission will be appointed in each of the seven sugar refineries. These commissions will be formed by a CORNAP [People's National Corporation] represntative, a CONAZUCAR [National Sugar Corperation] representative, two labor representatives, and two persons to represent private claimants.

Deputy Minister Faces Corruption Charges

PA1711191491 Managua BARRICADA in Spanish 16 Nov 91 pp 1, 8

[Report by Roberto Fonseca]

[Excerpts] Noel Vidaurre, deputy minister of economy and development, has publicly accused Antonio Ibarra, deputy minister of the Presidency, of "corruption and embezzlement" and demanded that the Comptroller General's Office conduct an immediate audit on the funds of the FASO [Social Care Fund for the Downtrodden] program, which are under Ibarra's management.

At a news conference, Vidaurre said that he has documentation proving that the Technical Directorate of the Presidency, under Ibarra's control, signed false leasing

contracts and disbursed large sums of money—as travel expenses—to people who have not traveled abroad.

"The money was disbursed as travel expenses and was never returned to the Treasury," Vidaurre stressed.

He accused Ibarra and his personal assistant of receiving a monthly check made out to a "ghost employee" who resides abroad.

He also mentioned other irregularities in checks issued by the Technical Directorate of the Presidency.

Vidaurre told BARRICADA that he could not specify the exact amount of public funds that was embezzled and misappropriated. He added that this must be determined by the Comptroller General's Office or a commission, which he assumes "must be thoroughly investigating" the corruption charges.

He noted that he only has evidence that checks for more than $8,000, more than 40,000 cordobas, were collected.

"Based on the documents I have, all the embezzlement and the irregularities have been occurring since the beginning of the year," Vidaurre stressed at the news conference. [passage omitted]

Vidaurre said that Ibarra should be removed from his post. He added that this must be before 1 December; otherwise, he will present his irrevocable resignation.

"Both of us cannot remain in the Cabinet. Either he goes or I go," Vidaurre said, in the best Western style. "I will only return to my position if Ibarra is removed," he stressed.

In a statement for BARRICADA, Vidaurre said that if Ibarra is guilty, the Attorney General's Office must "take action" and submit the case to a criminal court. He said that there is no other way to deal with this matter. "There should be no leniency in this country or in this government for corrupt officials who mishandle state funds.

Vidaurre distributed copies of his resignation letter dated 29 October and said that he is not afraid of a counterattack from the deputy minister of the Presidency.

Panama

Supreme Court Upholds Arrest of Policeman

PA1611165591 Panama City LA PRENSA in Spanish 16 Nov 91 p 1A

[Jose Quintero de Leon article]

[Text] The Supreme Court of Justice, with four magistrates abstaining, decided on 15 November to uphold the arrest of National Police Corporal First Class Juan Arauz Bonilla, who is charged with killing U.S. soldier Hailemikael M. Childs [name as published]. Abstaining were Magistrates Cesar Quintero, Rodrigo Molina, Arturo Hoyos, and Cecilio Castillero. The Supreme Court's ruling came after a writ of habeas corpus was filed in favor of Cpl. Arauz.

The decision means that Arauz will again be under the authority of Assistant District Attorney Carlos Herrera Moran, who is currently conducting the preliminary proceedings on the death of the U.S. soldier, which took place on the morning of 5 November.

Moran ordered the arrest of Arauz on 6 November based on the premise that the other three U.S. soldiers who were with the victim "were never a threat" to Arauz or his partner, Agent Roberto Cueto.

Supreme Court Secretary General Carlos Cuestas pointed out that most of the magistrates only weighed the legality of the arrest and did not examine details related to the case itself, which is being handled by the appropriate judicial courts.

However, he added that the magistrates who decided to abstain from voting believed that in this particular case they would be voting on whether Arauz committed a homicide, which carries a minimum prison term of six months. In addition, Law No. 3 of 1991, which reformed the Judicial Code, states that a cautionary arrest can only be ordered if the person is accused of a crime that carries a minimum prison term of two years. Cuestas said that this argument should have prevailed in order to declare the policeman's arrest illegal. However, Supreme Court decisions are made by a majority vote.

LA PRENSA was able to learn that the original paper documenting the minority position was prepared by Magistrate Cecilio Castillero, who is an alternate of Magistrate Carlos Lucas Lopez. In order for there to have been a majority vote revoking the arrest order, it was necessary to draft an alternative paper, which was prepared by Magistrate Jose Manuel Faundes. This shows that decisions made by a court composed of several judges are not always unanimous and sometimes involve very stormy debates.

Finally, Mr. Cuestas pointed out that the Supreme Court verdict does not mean that the policeman's defense attorneys cannot propose alternatives to preventive arrest. These alternatives, which include posting bail, are accepted by law.

Argentina

Menem Confirms $3 Billion Loan From IMF

PY1511233291 Buenos Aires BUENOS AIRES HERALD in English 15 Nov 91 p 5

[Text] Washington (NA)—President Carlos Menem confirmed yesterday that Argentina will obtain a 3,000 million (three billion) dollar IMF extended-facility loan during the first quarter of 1992. Menem added that Argentina will enter the Brady foreign debt reduction plan towards the end of 1992 or early 1993.

The President ratified Economy Minister Domingo Cavallo's view that Argentina needs to raise between 3,000 and 4,000 million dollars in international capital markets as a precondition to accessing Brady.

The obtainance of the extended-facility loan was announced earlier in the day by Foreign Minister Guido Di Tella while President Menem was in a private meeting in the White House with US President George Bush. "The extended facility loan is out," Di Tella told journalists.

Economy Minister Domingo Cavallo was more cautious, pointing out that negotiations for the loan were "very advanced." The economy minister pointed out that Argentina's monthly 60 million-dollar payment to the creditor banks will be increased. "The only precondition is a global understanding," Cavallo said. Cavallo ratified that Argentina's debt with creditor banks and the Paris Club of creditors amount to 35,000 million and 6,000 million dollars respectively.

The foreign debt has been reduced by 5,000 million dollars through Argentina's privatization programme, Cavallo told the press. IDB [Inter-American Development Bank] President Enrique Iglesias was optimistic regarding Argentina's access to Brady. "Argentina will be there... probably next year," he said.

Menem held a working breakfast in Blair House, the U.S. official residence for visiting dignitaries opposite the White House, yesterday with Iglesias, IMF President Michel Camdessus and World Bank President Lewis Preston. The meeting with the world's major bankers lasted 90 minutes. No journalists were allowed at the meeting and Camdessus and Preston avoided the press when they left the building.

The decision to grant Argentina the extended facility loan took observers by surprise yesterday. No further breakthroughs on this subject were expected until March next year. The main advantages of an extended facility loan over the usual IMF stand-by loan is that Argentina leaves behind its classification as a substandard nation, observers said.

Di Tella Explains Goals of Foreign Policy

PY1611175291 Buenos Aires CLARIN in Spanish 12 Nov 91 p 13

[Article by Guido Di Tella, minister of foreign relations and worship]

[Text] We are implementing a foreign policy that is in accordance with the Argentine people's interests.

It is not surprising to learn of poll results revealing that more than half the people decisively support the general lines of the government's foreign policies. Despite that, some analysts and specialists criticize our policies in a way that shows that they do not understand what we are doing.

In the past, **Argentine foreign policy was often rhetorical and confrontational, which did not benefit the people's real interests. That position was characterized by the country's isolation and lack of willingness to cooperate.**

We have tried to amend that situation by adopting a foreign policy **that has a more cooperative, less confrontational profile.** The changed profile is based on our recognition that we need to maintain a good relationship with all peoples of the world and, especially, with those countries on whose good or bad will the future of the Argentine people depends.

We have been ridiculously accused of acceding to the United States. Nothing is further from the truth. We have made a substantial change, getting rid of a useless anti-U.S. tradition that brought us no benefits and deprived us for decades of the realistic—and prudent—role our country may aspire to play in the current world.

More Radicalized Than Libya and Iraq

An example of the ancient vices of Argentine foreign policy are its votes at the UN Assembly. **In the recent past, Argentina's vote disagreed with the U.S. vote on 87.5 percent of the resolutions.** Argentina's vote was the most anti-Western vote of all Latin American countries, except for Cuba. Moreover, our anti-Western position on a **worldwide level** was only surpassed by Cuba, Sudan, Vietnam, and Yemen. In other words, **we were more radicalized than Libya and Iraq, for example.** If there are any cases of "stupid anti-imperialism," what I have just cited is a perfect example. That attitude could not render any benefits and only generated costs, direct or indirect, visible or invisible.

We have carefully assessed the causes of that perversion and, by exhaustively examining our votes, resolution by resolution, have established **a new profile for the Argentine vote in the UN Assembly this year.** That change is not based on statistics, but rather on the content of each resolution and its relationship with our foreign policy and the changes that have taken place in the world.

Moreover, the result of the changes in the voting instructions statistically brings us to excessive coincidences

with the U.S. position. If we resort to the statistics method used by the United States (which excludes abstentions from the coincidences calculation), however, **our vote at the current assembly probably coincides with the U.S. votes only 30 percent** of the time (and we reach an almost complete coincidence with Spain).

I offer these clarifications because a great deal has been said on that topic. Nevertheless, the question of the Argentine vote in the UN General Assembly is just a cog in the complex network of inter-relations in our foreign policy. Even more so, foreign policy itself is nothing but another tool of the change that is taking place within our borders, a mutual reinforcement along with the government's economic policy. Our external image has improved notably, especially in the power centers whose decisions have an impact on our destiny. We are now perceived to be more understanding and believable. That has generated the good will of international financial organizations and the support of important friendly governments.

Friends and Partners

Therefore, it is not strange that in an address given in the United States just a little while ago, Chilean Finance Minister Alejandro Foxley defended his country's policy, thus seeking better links with the country of the north, saying **"we need friends and partners."** That demonstrates that other nations of the continent are following the same path that we have taken.

At the same time, we are moving close to our Latin American brothers, which is demonstrated by the integration process with Brazil and the Mercosur [Common Market of the South] treaty. Our policy of showing our face to the world places us in a position of leadership in the region because we have gone beyond the advances that are considered necessary, which the greater part of the continent is experiencing. **We are not even remotely moving away from Latin America; thus, we are assuming the vanguard role to which we aspire.**

We are becoming a significant nation in the international sphere. We have demonstrated that with a "desire to be present" in the world's operative centers within the context of our real international dimension and without exaggerating. We do so in trying to shape our fate in accordance with our own needs and decisions, but without falling into the immaturity of not understanding international principles. The desire to make our presence felt also requires diplomatic ability and the need to choose between decisive options. We do that by pursuing an our people's objective of **a democracy with a stable economy, with private investment, with economic growth, and with integration into the modern world.**

Our foreign policy is at the service of those objectives. **We are pragmatic while not running the risk of failure; when we abandon diplomatic verbiage, we do not abandon principle.** Maybe we should recall Lloyd George when he said: "I am a man of principles; pragmatism is one of my principles." Our is a **"moral realism."** We firmly sustain democratic principles and we defend the right of the people to their welfare without risking the most important value that resides in the making of our own people's welfare. That is the essence of our national interest.

Menem Outlines Rural Deregulation Decree

PY1611163291 Buenos Aires CLARIN in Spanish 12 Nov 91 p 7

[Text] President Carlos Menem yesterday opened the 27th Ciaga (Inter-American Confederation of Cattle Breeders and Farmers, which brings together medium and large producers of the region) annual meeting. The president delivered a speech in which he explained the significance of the rural deregulation big decree [decretazo]. "The nation will take care of quality and health standards." And he calmed down those who were not represented at the meeting—the small producers, for whom it is very difficult to have access to advanced technology. "The nation will provide technology for the public."

Menem reiterated something that has already been said to farmers on several occasions and that farmers always want to hear: "Farming and agricultural industries are the pillars of the productive revolution."

Main Ideas

Menem listed the roles that will be played by the state at this stage, during which there will be no regulation:

- The state will control quality and health standards. Control tasks, however, will be either decentralized or transferred to the private area except in the case of duties that should be specifically discharged by the public sector.

- The state will be in charge of quality standards.

- The state will promote long-term investment in areas such as forestry

- The state will no longer store grain in rural and port facilities.

- The state will centralize activities; import and export statistics that were calculated by the Grain and Meat Boards will now be calculated by INDEC [National Institute of Statistics and Census].

- The state will no longer manufacture goods such as those produced by meat-packing plants (he mentioned the Cuatreros CAP [Argentine Meat Producers Corporation] plant, which is about to be privatized). The state will no longer operate as a bank, as it did through the Grain Board Exchange Program. That program financed producers, who received fertilizer and seed for sowing in exchange for grain at harvesting time.

- There are 200,000 families with small farms who do not have easy access to markets. The state's participation in some activities will be terminated in order to guarantee the common good and avoid inequality.

- The state will be responsible for preserving the environment. If we do not keep the land healthy, we will have nothing. We will carefully preserve wildlife.

Internal Differences

During a lunch that the sponsoring agency—the Rural Society—hosted in its Palermo dining hall, Mexican Justo Diaz del Castillo, Ciaga president, said to his partners: "Let us not turn a deaf ear to small farmers. Let us not be blind. The problem of human beings is also our problem."

The Ciaga partners are debating how they will operate in the region. The Mexicans mentioned their experiences in their partnership with the United States and Canada. They said: "The Americas should form blocs, promoting integration of their political and economic systems."

Rural Society director Guillermo Alchouron had a different approach, however. He said that President Bush's Americas' Initiative does not foster integration.

Nuclear Cooperation Accord Signed With Uruguay

PY1611130091 Buenos Aires TELAM in Spanish 0156 GMT 16 Nov 91

[Text] Buenos Aires, 15 Nov (TELAM)—Argentina and Uruguay have signed a cooperation agreement on the peaceful uses of nuclear energy, which refers basically to the training of personnel.

The agreement was signed by Manuel Mondino, head of the Argentine National Atomic Energy Commission, and by Julio Riet Alvariza, head of the Uruguayan National Atomic Energy Commission. Mondino and Riet also agreed to promote that sector within the Mercosur [Common Market of the South] framework.

It was noted that the agreement includes fields such as nuclear materiel, thermohydraulics, radiological protection, medical applications, and the application of nuclear analytical techniques in the study of the environment and ionic radiation.

Olazabal Views Military Industry Privatization

PY1511155891 Buenos Aires TELAM in Spanish 2345 GMT 14 Nov 91

[Excerpts] Buenos Aires, 13 Nov (TELAM)—The Defense Ministry today released the program for privatization of the 27 enterprises that make up the military-industrial complex, which will be transferred to private hands in 1992. Specific dates for calling for offers, however, have not been set.

One of the reasons no specific dates have been set for the calls for offers, the opening of sealed bids, or preliminary awarding of the companies is that Congress still has to approve a law permitting the relevant enterprises "to be privatized."

Planning Secretary Jorge Pereyra de Olazabal has said that the military enterprises "are subject to the professional restructuring of the Armed Forces, and as such the action to be taken on such enterprises calls for another type of analysis."

During a press conference, Olazabal explained that the proposed timetable "may be implemented as scheduled or even over a shorter period, but that will depend on the contracts that investment banks still have to sign with the international organizations."

He added: "Each enterprise will be privatized following the most advantageous method, for which reason it is necessary to study them case-by-case, considering the equipment that they produce."

The government wants to sell all the enterprises that are not directly linked with scientific and technological research. Some of the enterprises produce bogies [preceding word in English] for railroads, subways, and railroad cars, also merchant ships, acids, and steel, etc. [passage omitted]

The following enterprises "may be privatized," pending approval of the respective law: The Ministro Manuel Domecq Tarcia Shipyards on the southern promenade, which produce conventional TR-1700 submarines; San Martin Military Industries; Sidinox [expansion unknown]; Satecna [expansion unknown]; and San Francisco Military Industries, all of which produce material for civil use.

The following enterprises are in the same situation: Medium Argentine Tank Factory, State Enterprise (TAMSE), and the Pilar, Domingo Matheu, Villa Maria, and Fray Luis Beltran gunpowder and explosive factories, which produce light military weapons like the FAL (light automatic rifle), and 9 and 11.25 mm pistols.

The transfer of the four Bahia Blanca petrochemical enterprises produced a revenue of $51 million in cash. The state also recovered foreign debt certificates worth a nominal $120 million.

The income produced by the transfer of the military enterprises is expected to be used for restructuring the Armed Forces because investment is required for streamlining, reducing, moving, and transferring equipment and materials.

* Argentine Railroad To Issue Special Bonds

92SM0064B Buenos Aires CLARIN in Spanish 15 Oct 91 p 23

[Text] The debts of FA [Argentine Railways] to its suppliers and contractors will be paid by a special bond to be issued within one month. This bond may be used to buy assets in the company and to pay fees and rental charges for rolling stock transferred in railway concession agreements.

This bond issue—which does not yet have an official name, though it is being called a "ferrobono" and "bofe" [railway bond]—will amount to $500 million. This money will be used to pay all of FA's liabilities and those of FEMESA [expansion not given], the metropolitan passenger line company set up in April.

The FA director Ignacio Luduena yesterday predicted that the bond will be issued within a month, after the undersecretariat of finance has completed its work. This department will be in charge of this payment mechanism.

Characteristics

This bond has a number of salient features distinguishing it from other securities the state has issued in recent years. Its major features are:

a. It will be used to pay FA's debts to suppliers and private contractors, excluding the company's obligations to other state enterprises and public organizations.

b. It will be issued in dollars and will be adjusted annually, based on the LIBO [London Interbank Offered Rate].

c. It will have no expiration or redemption date; it will be unlimited in time.

d. The bond issue will be authorized by a decree.

e. The Central Bank will handle the issue, acting under the authority of the undersecretariat of finance.

f. Debt payments will not be discounted, but will be at the nominal value of the bonds.

g. FA wil accept the bonds as partial payment for assets and rolling stock leases, also at their nominal value.

h. The issue will take place within 30 days.

i. The first payments will begin within 45 days.

Luduena indicated that the FA's cumulative debts are between $300 and $350 million. He said there are a number of contracts "whose position is still uncertain because of a lack of invoices or because they were not recorded in the company's accounts." He explained that it was decided to issue bonds in the amount of $500 million "in order to be able to cover any differences that may arise with debts which have still not been determined" because of accounting problems.

Utilization

Suppliers and contractors who receive the bonds may use them to buy assets in the company and to pay for the rental of rolling stock in railway concessions. Luduena said that in both cases bonds may be used to pay up to 70 percent of the total amount, since by law FA is required to collect 30 percent in cash so it may be transferred to the social security and benefits system.

The official stated that "the option of paying small creditors in cash to keep some of them from disappearing because of the impossibility of using bonds is now under study."

"As soon as FA has paid off its liabilities, it will begin to contract and it will settle its accounts on a 30-day basis. This will significantly improve the company's operations," Luduena pointed out.

About contracts with suppliers that had been cancelled by the economic authorities, Luduena said: "The contracts are now being renegotiated. This is essential if we are to maintain services. It allowed us to reduce our monthly payments for this item from $20 to $8 million."

He also predicted that within the next few days the voluntary retirement program will be revived. During its first phase, it will apply to workers on the Rosario-Bahia Blanca line who are not being hired by the private licensee—somewhat more than 3,000 employees.

Bolivia

Agreement Reached With Chile on Border Issue

PY1611122091 Madrid EFE in Spanish 0039 GMT 16 Nov 91

[Text] Santa Cruz (Bolivia), 15 Nov (EFE)—Bolivia and Chile today agreed to unblock their negotiations on border limits and they established permanent consultation mechanisms to resolve their disputes. The agreement was reached by representatives of border commissions from both countries after five days of talks in the city of Santa Cruz, in eastern Bolivia.

Bolivia and Chile broke off diplomatic relations in 1978 following unsuccessful efforts to resolve border disputes dating back to the war of 1879, when Chile fought Bolivia and Peru and Bolivia lost its coast on the Pacific. The border between the two countries has remained undefined since that time and any definition will come through the actions of the Bilateral Border Commission and through ratification of the agreements signed since 1907 by both governments.

Hernando Velasco, chairman of the Bolivian National Commission on Sovereignty and Limits [Comision Nacional de Soberania y Limites], said: "We were able to overcome a point of stagnation at this meeting. We had been very stalemated on these issues."

Armando Loaiza, Bolivian Foreign Ministry general adviser, said that the two parties agreed to establish "a permanent consultation mechanism to strongly seek final solutions."

The two delegations signed a document, the contents of which have not been disclosed and which will be submitted to the respective foreign and defense ministries for review prior to the next meeting of the Bilateral Border Commission in March 1992.

Describing the atmosphere that prevailed during the negotiations, Velasco said: "Earlier, the two delegations maintained very rigid positions. Now, we can talk frankly and quite openly, without reservations that could sometimes be negative."

The Bolivian delegates added that the different positions on three disputed areas were discussed. They are: Sillillica zone, Capitan or Tebladera Hill, and the Sicaya marker.

Loaiza said: "The two delegations documented their differing positions."

Velasco stated that the talks that concluded today in Santa Cruz "pave the way" for continuing negotiations "that have been going on for more than 50 years." Velasco added: "I hope we will make truly positive progress in the next meetings."

A joint communique released at the end of the talks notes "the atmosphere of great cordiality" in which the negotiations were held and it reports that the two parties have agreed to maintain "permanent working contacts with a view to contributing to the achievement of final solutions."

Officials Say 30 Percent of Miners on Strike

PY1611211491 La Paz Television Boliviana Network in Spanish 0200 GMT 16 Nov 91

[Text] The mineworkers' strike has failed because activities were normal in virtually all mining centers in the country. Seventy percent of the workers reported to work, thus showing their support for the policy of reactivation of mining activities in Bolivia.

The strike, which was called by the Trade Union Federation of Bolivian Mineworkers [FSTMB], was observed by 30% of Bolivian mineworkers. This shows that most mineworkers have rejected the position of some union leaders who are against rebuilding the capital assets of the Bolivian Mining Corporation's mines through private participation, under shared-risk contracts, to incorporate modern technology.

Alvaro Rejas, under secretary for mining and metallurgy, comments on the strike's outcome:

[Begin Rejas recording] Only 50% of the workers observed the strike in Huanuni, a major mining center, and in the Oruro mines. All other mines are working normally. Work in the workshop, on the surface, and at the plant is completely normal. The strike was not observed in Santa Fe either; work has been normal in all sections there. The same thing happened in Bolivar, the Machamarca plant.

The plant, workshop, and surface operators worked normally in Oruro. There was a partial strike in the mining sector there. I would like to state that 90% of the work was carried out normally in Oruro Department. [end recording]

Information Minister Mario Rueda Pena believes that the government has won a plebiscite in the mines. He interpreted the result of the strike as a sign of support by the mining social grass roots for the government's policy of reactivating state-owned mines by incorporating private capital under shared-risk contracts. In fact, only 30% of the miners observed the strike while 70% of them rejected it by reporting to work. It may be said that the government obtained 70% of this virtual vote at the mines while the anarchic FSTMB group obtained only 30%.

Rueda Pena said that this new setback has once and for all discredited the Pulacayo theory, which for more than 40 years served as the ideological and political goal for mining union leaders.

Brazil

* Changes in Collor's Personality, Habits Viewed

92SM0068A Sao Paulo VEJA in Portuguese23 Oct 91 pp 40-42

[Commentary by Roberto Pompeu de Toledo]

[Text] He's getting as hard to find as Wally, the character whom cartoonist Martin Handford hides in a crowd of people and a tangle of situations. Where's Colly? At first glance we see him approaching, arms extended in the direction of the partners in the "understanding." Then we look again and—no, he is still incurably self-sufficient, poised on a pedestal of pretense and snobbishness. Once again we look, and here comes the modern Colly, the engineer of the bullet train that will take Brazil to the First World. No, it's an optical illusion. He's really the one who drives the wagons that roll backward and in which the deserters from the Republic of Alagoas travel, hidden underneath the canvas like in the Old West and protected by Joaozinho Malta's pistols. Where's the real Colly, for God's sake? In the social democrat who romances the "tucanos" [Brazilian Social Democracy Party (PSDB)], or in the recycled Maluf supporter arm-in-arm with the soldiers of fortune of the PRN [National Reconstruction Party]? In the fat man or in the thin one? In the maharajah or in the hunter of maharajahs? In the married man or in the bachelor?

In recent weeks, this country has seen a situation develop in which, as in a movie close-up shot, the crisis has focused in on Colly, i.e., President Fernando Collor de Mello. People started saying: "The crisis is Collor." From the moment the president took his wedding ring off his finger, exhibiting his marital crisis to the public, until last Thursday when the inflation rate for October was estimated at 22 percent on the basis of figures released by the FIPE [Economic Research Institute Foundation], the two fevers have not only begun to run together, they have become identified with each other. And people began talking about going after Collor's head more earnestly than ever before. It seems they have found in him the bottleneck that blocks solution of the

nation's problems. He's arrogant, they say. He's unqualified. He's crazy. The president's personality traits—some real, others imagined—have been magnified by the loupe with which they are now being examined. In this article, we will attempt to sum up what has been said about the president as a person and see how much of it might be myth and how much is true.

Let us begin by listing the defects most commonly attributed to him:

He's Becoming Increasingly Isolated

This is probably true. Collor no longer goes out at night as he did at the beginning of his administration. And on the weekends, the only house he still visits from time to time is that of his friend and private secretary Claudio Vieira, to which he travels by boat on Brasilia's North Lake. He and Vieira know each other so well that they don't even need to talk. There are days when the president can simply lie in the hammock, take a nap, then get back on the boat and return to Casa da Dinda. Collor sees very little of his brothers or his mother, with whom he has a distant, if not thorny, relationship. His brother Leopoldo, who lives in Sao Paulo, overcame a long-standing rift between the two when he became involved in the presidential campaign. His brother Pedro has kept himself occupied with the family businesses in Alagoas. He succeeded to this position as head of that empire when Fernando went into politics, and in a not very brotherly manner has been letting it be known that he found things in a pitiful state.

Those are old stories. A more recent sign of isolation is Collor's increasing dedication to solitary activities such as exercise. At first it was three times a week, but lately Collor has been leaving Planalto Palace every day after work to take a helicopter over to Alvorada Palace where he shuts himself up for an hour or two in the room where he ordered exercise machines set up. This means the president often misses the nightly TV newscasts that he used to insist on watching. The intensive exercise program could be serving his need for isolation, or it could just as well be an obsession through which the president compensates for frustrations in other areas. It doesn't matter. In fact, isolation in itself is not a reliable indicator of anything very significant. General De Gaulle also cultivated isolation. At more than one critical moment in recent French history, he locked himself up at his residence at Colombey-les-Deux-Eglises, haughty and distant. Yet that did not diminish his talent as a statesman.

Collor Is an Exhibitionist Who Thinks Only of Marketing

If you mention marketing [preceding word in English] to presidential Press Secretary Claudio Humberto, the advisor considered to have been of most help to the president, throughout his career, at the cosmetic counters where images are sold and in mastering the tricks of the promotional trade, he will react furiously: "Marketing"? "I don't even know what that is." On one occasion, Claudio Humberto was hailed by a Sao Paulo industrialist as one of the men who demonstrated the most talent for political marketing of anyone in Brazil. "Are you trying to insult me?" was the press secretary's reaction. But let no one be deceived. Actually the fury is directed against the term, which makes the politician a product and suggests sales and mystification. Were we to call the process "puito," the name which, for lack of a better one, Macunaima coined to designate the opening in a suit jacket lapel that some men use to hold a flower, then maybe the indignation would be less forceful.

Collor does indeed demonstrate a notable penchant for self-promotion, but here again, it is nothing that really hampers the administration. The problem with self-promotion and grandstanding is that they don't go well with failure. If inflation had been brought under control and the administration's stock were high, no one would be attaching any importance to this aspect of the president's character. On the contrary, instead of seeming offensive and in poor taste as it is now, the trait might even be seen—as it once was—as part of his charm.

Collor Likes the Trappings of Power More Than He Likes Governing

The president has a soft spot in his heart for the rituals of power. He likes to walk up the [Planalto Palace] ramp, walk down the ramp, listen to the national anthem, and cover his chest with medals. This dates way back. When he was appointed mayor of Maceio by Guilherme Palmeira, then governor of Alagoas and now a senator, one of the first things he did was ask that a military police officer be assigned to his private office. Palmeira, to whom the request was addressed, agreed. When he found out, however, that MP regulations would not permit the officer to wear a uniform while assigned to the mayor, Collor gave up the idea. "What he wanted was a uniformed officer to accompany him, to open doors and serve as a symbol," an Alagoan politician said. Another of Mayor Collor's first acts was to arrange for a Ford Galaxy in which to parade the impressiveness and dignity of his duties.

This worship of pomp was in proportion to a shortage of patience for the drudgery of the job, during Collor's Alagoan phase. Only a few weeks after taking office as mayor of Maceio, he requested leave for a lengthy stay in Paris. Later, when governor of Alagoas, he spent almost as much time elsewhere as in his home state. But the Collor of today, according to his closest associates, is made of other stuff. "The president is more responsible now than at any previous stage of his life," said businessman and Brasilia deputy Paulo Octavio, one of Collor's best friends. According to Paulo Octavio, Collor now takes advantage of every break in his schedule to read and to thoroughly familiarize himself with subjects that will help him govern. During the meeting he had two weeks ago with Governor Leonel Brizola at Planalto Palace, the president impressed Brizola with his knowledge of the topic of the moment, which was privatization.

Collor Is a Chameleon Who Changes His Message to Suit the Listener

On 3 September, when he received PSDB president Tasso Jereissati for a conversation that inaugurated the attempt to build bridges to other parties, Collor gave a melodramatic report on the situation in Brazil and in his administration. However, when talking with former Minister Zelia Cardoso de Mello that same day, his tone was calm and optimistic, just as it was with at least one other interlocutor. Collor may have the skin of a chameleon, but so what? What politician does not have one, to employ in the service of his tactical objectives and interests of the moment?

Imperious

So far, in enumerating negative traits usually attributed to Collor, we have mentioned some that can be discarded as of little significance. But there are some important ones too, the first of which is: the president radiates pretense and imperiousness. When asked "Which presidential advisors does Collor listen to most?" one of his closest aides paused briefly and answered: "The president is so capable he does not need advisors." President Francois Mitterand, nicknamed "God" in France because of the certitude he exudes and the lengths to which he goes to distinguish himself from mere mortals—even he has advisors, and they include some of that country's most respected intellectuals. The ditty "Collor is great—there's no one better," as continually intoned by the courtiers, has done the president enormous damage. For example, it has kept him from building up a personal general staff, a solid and respected group that would lend coherence and sense of direction to his administration.

The president's personality instills in the administration other rather undesirable effects. There is an immaturity in the air that allows shenanigans to go on like the things we know now occurred during Minister Zelia Cardoso de Mello's term in command of the economy. There is a halfheartedness in the leadership that makes one question the commitment to combat corruption or follow an anti-inflationary program to the letter. But Collor also has—and this must be said, now that people are trying to blame the crisis on him personally—characteristics which if fully exploited could lead to the kind of leap forward that his administration so desperately needs. He is courageous, for example, as he showed when he picked a fight with certain economic cartels, and that courage can turn into an incredible audacity, as we saw when he stuck his hand into people's pockets with his economic plan. He is also a president who knows how to approach his duties with discipline and demand the best of himself. Finally, he demonstrates the kind of clear thinking needed to identify problems, and from that has come what may perhaps be the biggest contribution of his administration so far—an expansion of the national agenda to include topics that people didn't use to talk about much, from corporatism to the opening of Brazil's economy to the outside world.

Tidal Wave

This exercise of trying to perceive Collor's personality coolly and with whatever detachment may be possible and to find, among the several different Collys, the one who could be useful as we follow the thread that will take us out of the labyrinth is not a waste of effort. Actually, it is a practice to which this nation, more than ever, needs to devote itself because it is around this subject, inflamed with passion, that a tidal bore is being generated that could have dire consequences. From one side comes a wave that, built up among the public at large—especially its thinking circles—won't give the president a shred of credit. He's arrogant, it's impossible to get through to him, he's crazy, and that's it. No progress can be made and there can be but one result, a walled-off administration. From the other side, i.e., from within the government and just as menacing as the first wave, a proportional and opposing intolerance, born of a siege mentality, is developing. "Collor has never been forgiven for his victory at the polls," says Claudio Humberto. "Everyone, from businessmen to labor unions—not to mention the press—is against him." Some middle ground must be found between the wave of intolerance generated within the public and the wave of intolerance surging from Planalto Palace—at least enough space so people can pass between them.

* Visit by Japanese Eximbank Delegation Viewed

92SM0067A Sao Paulo GAZETA MERCANTIL in Portuguese 23 Oct 91 p 23

[Article by Brasilia correspondent Maria Clara R.M. do Prado]

[Excerpts] The Brazilian Government has reviewed the entire portfolio of projects that it plans to negotiate with the Eximbank of Japan—within the framework of the funds recycling fund, more commonly known as the Nakasone Fund—and hopes to ensure that, beginning next year, financing on the order of $3.9 billion will be coming from that agency, once Brazil has concluded its agreement with the IMF and the Club of Paris.

Next week an economic team from the Japanese Eximbank will arrive in Brasilia to make an initial appraisal of the situation in this country. Confirmation of the visit came yesterday from Muneo Suzuki, vice minister of foreign affairs of Japan, who met during the morning with Minister of the Economy Marcilio Marques Moreira. This is the first time in seven years that the Japanese government has sent a representative to Brazil, and so it raises hopes for a new phase in relations between the two countries.

National Economic Secretary Dorothea Werneck leaves today on a seven-day trip to Tokyo, where she will discuss issues related to trade, investment, and business quality and productivity. On 22 November a delegation of 20 Japanese businessmen connected with the Keindare—an association of Japanese business leaders—

arrives in Brazil, headed by the CEO of Toshiba, Mr. Saba. The organization had distanced itself from Brazil in recent years.

All this coming and going may serve to reopen the Brazilian economy to Japanese capital, both direct investment funds—Brazil has fallen from second to tenth place on the list of countries that receive risk capital from Japan—and loans. [passage omitted]

'Good Sign'

The director of the international affairs department of the Ministry of Economy, Ambassador Denot Medeiros, told this newspaper yesterday that the arrival of the Eximbank delegation should be interpreted as "a good sign in relations between the two countries," and revealed that the new list to be negotiated with that bank in connection with applications for loans totalling $3.9 billion from the recycling fund, has been cut to 13 projects.

The original list of more than 20 projects that Brazil had submitted to the Eximbank in 1987 with the intention of securing loans from the Nakasone Fund was recently canceled and totally revamped on the basis of new priorities. "We will have to go over everything with the Japanese, project by project," added Ambassador Medeiros, emphasizing, however, that formal negotiations on the new list cannot begin until this country has reached an agreement with the IMF.

The new priorities outlined by the Brazilian Government in its proposal to the Eximbank of Japan cover five projects in the energy field (two for Eletrobras, one for Sao Paulo Electric Powerplants, Inc.—CESP, one for Minas Gerais Electric Powerplants, Inc.—CEMIG, and one for a thermoelectric plant in Manaus); two in the infrastructure area (one for a subway system in Fortaleza and another involving the Federal Railway System—RFFSA); two projects involving lines of credit for the National Bank for Economic and Social Development (BNDES); two projects for Petrobras [Brazilian Petroleum Corporation] (one involving construction of a drilling platform and the other for a pipeline); besides an aluminum project for Alunorte [expansion not given] and another involving paper and cellulose for Cenibra [Brazilian-Japanese Cellulose Corporation].

* Business Intensifies Antigovernment Criticism

92SM0067B Sao Paulo GAZETA MERCANTIL in Portuguese 22 Oct 91 p 11

[Article by Sao Paulo correspondent Jaime Soares de Assis]

[Text] Businessmen becoming more strident in their criticism of Brazil's recession. Experiencing a time of difficult sales and heading toward the end of the year—which brings higher payroll costs—as well as paying high interest rates that make taking out loans for working capital a rather heavy burden for industry, manufacturers are proposing the adoption of a tax reform package, expansion of lines of credit, and changes in the government's economic policy.

"Businessmen in iron and steel smelting do not agree with the recessionary theory that counts on reducing demand as a means of stabilizing the economy. That way, everyone loses," said Adauto Ponte, president of the Brazilian Association of Iron and Steel Smelting Industries (ABIFFA), during the opening session of the National Congress on Smelting (Conaf) and the 1991 National Smelting Exposition (Fenaf). Ponte emphasized that the country is operating in a "political vacuum" and "businessmen are skeptical about the outcome of the (economic) situation."

According to Ponte, the high interest rates "are the consequence of a disastrous economic policy that has affected the smelting industry, which anticipates that output will fall this year to 1.3 million tons, from the 1.45 million tons produced in 1990. Sales, which were $3 billion last year, will drop to $2.7 billion this year.

"Today we are living with extremely high rates of inflation, and past experience in this country tells us this is not the route that can solve our problems," said Luiz Carlos Delben Leite, who is the Sao Paulo State science and technology secretary for economic development.

According to Delben, in the last 12 years this country has experienced cycles of recession alternating with stable periods of low growth rates "and the solutions have not been forthcoming; today Brazil is markedly poorer than it was 12 years ago." If production is to recover, interest rates compatible with those of the First World will have to be adopted; we will need financing, grace periods, and repayment terms similar to those in the developed countries; and we must have technological development, which is considered crucial to a resumption of economic growth. In the opinion of the secretary, "the only activity that can generate profits high enough to enable firms to pay these interest rates would be something connected with the narcotics traffic."

Manufacturers of machinery and equipment also direct criticisms at the economic model. The Brazilian Association of Machine Industries (Abimaq) is preparing a report for study by its members, in order to develop the sector's position regarding economic stagnation. "We are going to see what kind of attitude we will take from now on, because we will not go down without a fight," said Abimaq president Luiz Pericles Michielin.

To Michielin, measures such as increasing the levels of financing from Finame [Fund for Financing Machinery and Equipment]; expanding the resources available from Finamex (export-oriented) which, at $400 million, he terms "insufficient"; and exemption from the state value added tax are important to the "survival" of the sector.

Ponte believes that changes will be necessary. He mentioned (1) tax reform that cuts indirect taxes and reduces

the number of different taxes; (2) a policy that would boost the percentage that wages and salaries are of national income, a proportion that was reduced to 30 percent by Collor Plans I and II; (3) raising the educational level of the population; and (4) greater independence and efficiency in the Judiciary. He also thinks that "what we really need to do is face up to the hyperinflationary process—society must learn what its limits are."

* Machado Views Satellite Project, Landsat

92SM0067C Sao Paulo GAZETA MERCANTIL in Portuguese 17 Oct 91 p 12

[Article by Brasilia correspondent Aristides R. de A. Filho]

[Text] On 11 October, Science and Technology Secretary Edson Machado de Souza signed a contract with the Chinese space technology agency, guaranteeing continuation of the Sino-Brazilian Satellite Program.

"The purpose of the trip was to finalize understandings in order to implement the construction of two satellites—the SSR-1 and SSR-2—as soon as the technical evaluation has been completed," the secretary said yesterday. Early in November, a Chinese delegation will come to Brazil to discuss the structural engineering design.

Brazil is supposed to pay 30 percent of the cost of the project, which represents an investment of $45 million. Disbursements of $10 million were planned for 1991. However, the budget appropriations reserved only $2 million. "We agreed on a supplementary credit of $8 million, but it must still be approved by Congress," Machado de Souza noted. The project will absorb $16 million more in 1992, an amount that is included in the budget that was submitted to Congress.

The science and technology secretary explained that the structure for both satellites will be built at the same time as the SSR-1 is being assembled in China. Twelve firms may be involved in different stages of the Sino-Brazilian program.

The first Sino-Soviet satellite [as published] is supposed to be launched in 1994. Then the SSR-2 will be launched, no sooner than six months afterward. This interval is needed to evaluate the performance of the SSR-1 and detect any possible defects. Each satellite has a useful life of from three to 25 years. "China has launched 20 satellites so far. However, none of them was intended for remote sensing, i.e., to make surveys of data on agricultural, geological, hydrological, and meteorological resources," the secretary emphasized.

Edson Machado de Souza acknowledged that Brazil might stop using the services of the Landsat satellite once the SSR-1 is in orbit. That would be one of the practical consequences of the Sino-Brazilian Program. Besides Landsat, Brazil uses the services of two more U.S. satellites and a European one. "Payment is determined by the kind of images that Brazil purchases," Machado de Souza explained. He estimates that Brazil is paying $200 million annually for the continuous images sent by Landsat. Annual outlays for the four satellites total $2 million.

The secretary revealed that, in the next several days, an interministerial commission is supposed to submit a proposal to restructure the career ladders and pay scales for the federal science and technology institutions.

* Petrobras Plans To Expand Oil Exploration

92SM0067D Sao Paulo O ESTADO DE SAO PAULO in Portuguese (Economic Section) 23 Oct 91 p 7

[Text] Buenos Aires—Brazil is undertaking an ambitious petroleum exploration plan that would enable it to achieve self-sufficiency by the end of 1994 by producing one million barrels a day. Brazil produces 700,000 barrels at present, but consumes from 1.1 to 1.2 million. According to information provided by Petrobras [Brazilian Petroleum Corporation] Director Raul Mosmann, who is in Buenos Aires to attend the 13th World Petroleum Congress—which began Sunday and continues through Friday—energy sector officials have now decided to search in deep waters, using the methods developed by the state enterprise.

The experiments started with the Marlim well, at 752 meters the world's deepest, which may eventually produce as many as 50,000 barrels of petroleum a day. Another of Petrobras' offshore drilling sites—the Albacora—has estimated reserves of 5 billion barrels and is part of the open sea exploration program, which involves drilling to depths of 300 to 2,000 meters.

The company has ordered a platform that will operate at 1,000 meters depth and have the capacity to extract 100,000 barrels of petroleum a day. It should enter on stream beginning in 1994. The equipment is being assembled by Japanese firms in Singapore at a cost of $270 million, to paid for under a lease.

According to Mosmann, Petrobras has been able to obtain funds for investment in the sector either by issuing bonds on the international private market, or through the World Bank.

Mosmann also said that gas is the state enterprise's other priority, and so the company wants to negotiate exploration of the major gas reserve in Northwestern Argentina in conjunction with Argentine firms that would supply the necessary equipment.

Collor Signs Decree Creating Reservation

PY1611005691 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 15 Nov 91

[Report from Alvorada Palace by Alvaro Pereira]

(Text) President Fernando Collor today announced the demarcation of a reservation for the Ianomami Indians.

In a ceremony in the Alvorada Palace garden, the president signed a decree establishing the reservation in an area adjacent to the Venezuelan border.

President Collor told cabinet ministers and secretaries that the reservation will be instrumental in allowing the Ianomamis to hunt, fish, and celebrate their rites, and thus preserve their way of life.

The Ianomami reservation covers an area of 9.5 million hectares in the States of Amazonas and Roraima, near the Venezuelan border. The reservation is almost as large as Santa Catarina State, and it is twice the size of Rio de Janeiro State.

Collor said the ceremony was held at Alvorada Palace because it symbolizes our efforts to bring civilization to the countryside, efforts that sometimes were detrimental to Indian communities. He said that in demarcating the Ianomami reservation, the government is paying an overdue debt.

[Begin recording] Today, in modern times, such a process cannot happen again. The basic guidelines for achieving development must be respect for men and nature. [end recording]

Chile

Reason for Not Enforcing Security Law Explained

PY1711020891 Santiago Television Nacional de Chile Network in Spanish 2330 GMT 16 Nov 91

[Excerpt] Interior Minister Enrique Krauss said today that the violent incidents on 12 November were only street demonstrations and that this is why there was no justification to enforce the internal security law. Krauss added that the demonstrations did not threaten peaceful coexistence or national institutions.

This is how Krauss replied to the harsh criticisms made yesterday by the opposition, which said that the government allowed itself to be pressured by the extreme left, thus violating the law. Krauss added that the demonstrators who were arrested were put under the jurisdiction of the courts and that no one has escaped from this process. He said the security law was not enforced because the incidents were only street demonstrations that did not threaten the security of the institutions the law must protect. [passage omitted]

Supreme Soviet Deputy Kaddanikov Interviewed

PY1511225691 Santiago EL MERCURIO in Spanish 11 Nov 91 p C4

[Text] "The Soviet people have been used to the idea that they would never be abandoned, that they would always be protected. Now each individual must be responsible for themselves, and it is difficult to get used to that freedom." This was a statement by Supreme Soviet Deputy Vladimir Kaddanikov, who arrived in our country on 9 November.

Kaddanikov is visiting Chile in his role as general manager of the Autovaz Lada Enterprise, which is holding its sixth world convention in Santiago.

The Soviet deputy granted an exclusive interview at the airport to EL MERCURIO during his brief stay, during which he explained that this was his second visit to Chile, of which he has pleasant memories, especially the informality of our people. However, when he was asked about the impression that had the greatest impact on him during that first visit, he said that undoubtedly it was a visit he made to "a place where a shrine of the Mother of God is found on a mountain—San Cristobal hill—where he could feel the sound of wonderful music. It was an important experience for me."

[EL MERCURIO] Why?

[Kaddanikov] "Because it helped me become aware of the lifestyle in this country. It had a tremendous impact on me. Everything else has secondary significance because if a people has a soul, as I saw in that place, everything must turn out very well. Nothing is as great as that."

[EL MERCURIO] Are these feelings shared by your people?

[Kaddanikov] "I believe so."

[EL MERCURIO] And are those people optimistic about the situation in the Soviet Union? In your opinion, will things improve or worsen?

[Kaddanikov] "The spirit is not so good, and people are disappointed with their own country. What we have to do later is to recover faith in ourselves and to recover faith in our people. But I believe that in my hometown (Toglyatti, where the Lada factory is located), the situation is a little different from the rest of the country because it is naturally a local situation."

[EL MERCURIO] Did the coup d'etat that took place a few months ago affect the Russian people and their daily activity?"

[Kaddanikov] "Those events did not really have any great impact on Moscow or the other cities. That same Monday we already knew that the result would be that the coupists would end up in jail. It was clear the moment we saw them on television during the interview, because we saw how their hands trembled as they talked. We realized that they were not serious people, to say the least."

[EL MERCURIO] In your view as a congressman, is the path taken by the Soviet Union the correct one to achieve the rebirth of a world power?

[Kaddanikov] "Unfortunately it is difficult for me to answer that question because many things, not well planned and not well thought out, are taking place in the country. But there is an element, for instance, which I

support, the fact that our people have decided for freedom. When people make the choice for freedom, things usually end up well.

"Naturally, since the government is carrying out some tasks at this moment, I do not always share in the way they are carried out; I do not always agree on how they are handled. However, it is obvious that there is a quest for some path and that it is a difficult task."

[EL MERCURIO] Are the people getting used to this idea of liberty?

[Kaddanikov] "We must admit that many years have passed during which the people lived without freedom, and to change this course is not at all easy. The people are not used to that. They are used, for instance, to an equitable distribution, that everything was given on an equal basis. Everyone could be sure that they would not be abandoned, that they would not be left unprotected. Now things have changed so that each individual must begin to be himself and to respond to himself, and that is too big a change."

[EL MERCURIO] Is the economic problem as important as liberty in your country?

[Kaddanikov] "Of course there is an important economic problem, and it is also clear that if the economy is not good, there can be no freedom."

[EL MERCURIO] Will that economic problem affect the international trade the USSR is carrying out?

[Kaddanikov] "There will be no problems."

[EL MERCURIO] Why?

[Kaddanikov] "Because it will not happen."

According to Kaddanikov, the essential thing in this current situation in his country is the force of its people, who must get used to living under a new situation. He considers his task as a congressman to be very important, "very serious, because I am certain that there are many things that only I can do."

Colombia

Government Accepts Cuban Consul General

PA1611033391 Paris AFP in Spanish 0101 GMT 16 Nov 91

[Text] Santa Fe de Bogota, 15 Nov (AFP)—The Colombian Government has accepted Omar Morales Bazo as Cuban consul general in Santa Fe de Bogota, with jurisdiction in the entire Colombian territory, the Press Secretariat of the Presidency announced on 15 November.

On 19 July in Guadalajara, Mexico, the Colombian and Cuban Governments agreed to resume consular relations to promote economic and commercial cooperation, as well as to develop tourism between both countries.

The resolution recognizing the Cuban consul was signed by President Cesar Gaviria and outgoing Foreign Minister Luis Fernando Jaramillo.

Diplomatic relations between Colombia and Cuba have been suspended since 1981, when Colombian President Julio Cesar Turbay accused Fidel Castro's regime of supporting Colombian guerrillas.

Pardo Presents Civilian Disarmament Plan

PA1711024291 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 16 Nov 91

[Text] Barranquilla—The Colombian Government has presented a civilian disarmament plan that includes increased penalties for those who break the law and additional funds to strengthen national security. Closing the convention of the National Federation of Businessmen, Fenalco, in Barranquilla, Defense Minister Rafael Pardo indicated that this is not an amnesty, but a comprehensive strategy to establish peace in the country. The minister explained that the plan is intended to gradually reduce the number of weapons in the hands of civilians, eradicate their illegal sale, and more adequately regulate and control the possession of weapons.

Mr. Pardo said that restrictions will not end violence because, in his opinion, a criminal determined to commit a crime with weapons will always be able to illegally obtain, with greater or lesser difficulty, the means to do so. But, the minister asked: Why make it easier for him? He added that arms control does not mean that the government will go out to pick up all weapons overnight. The strategy is designed to intensify the destruction of weapons that have been confiscated because of illegal possession. This will prevent the nearly 20,000 weapons the police seize each year from circulating again in one way or another among the public. Private security and bodyguard services will also be regulated.

The defense minister said that most of the homicides committed in Colombia are caused by factors unrelated to guerrilla such as drug trafficking and terrorist actions.

The plan will be presented to the National Security Council for its study and approval on 6 December. After this, the legislative aspects of the plan will be submitted for the immediate consideration of the National Congress.

Recent unofficial statistics indicate that there are at least 4 million firearms that lack the appropriate permits in Colombia.

Top Military Commanders Confirmed in Posts

PA1711173491 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 16 Nov 91

[Text] Santa Fe de Bogota—Most of the members of the military leadership have been confirmed in their posts. New commanders of divisions and brigades have also

been appointed. The following were confirmed: General Luis Eduardo Roca Maichel, commander of the Military Forces; General Manuel Murillo Gonzalez, commander of the Army; General Manuel Forero Quinonez, commander of the Air Force; and Vice Admiral Gustavo Adolfo Angel Mejia, commander of the Navy.

General Farouk Yanine Diaz, who until now was deputy Army commander, is the new chairman of the joint chiefs of staff. He replaces General Daniel Garcia Echeverry, who is retiring. The Defense Ministry also announced that the following officers also requested retirement: General Eduardo Plata Quinonez, who was Army inspector general; General Flavio Jimenez Sanchez, who was military attache in the United States, and General Hugo Tovar Sanchez, who was commander of the 2d Brigade.

Government, Rebels To Resume Talks by Feb

PA1711040191 Santa Fe de Bogota EL NUEVO SIGLO in Spanish 11 Nov 91 p 6

[Text] The government and the Simon Bolivar National Guerrilla Coordinating Board [CNGSB] yesterday signed an agreement to return to the negotiating table on 1 February 1992 at the latest.

The following is the text of the statement signed by both delegations in Caracas when that stage of negotiations was concluded:

The Colombian Government and the CNGSB state:

1. During the ongoing conversations, positive factors were presented in the search for a solution to the political armed conflict. These positive factors must be highlighted as they demonstrate the parties' willingness to hold a dialogue during the past several months. The dialogues must be consolidated if the continuity of the process is to be guaranteed.

2. These factors refer to bilateral commitments that have been reached at the negotiating table or to unilateral commitments assumed by each of the parties to pave the way for a negotiated peace formula and the creation of a climate of credibility and trust by the Colombian people with regard to the process.

3. As a result of the first meeting in Caracas, the parties agreed on a total of 10 issues that comprise the preliminary agenda that places the process in a general perspective, but within which the parties have agreed to establish a cease-fire and to cease hostilities as a top priority.

Likewise, verification mechanisms were agreed upon for this issue consisting of non-governmental regional commissions, a national evaluation committee, follow-up, and counseling on the process.

4. An agreement was reached to create an international supervisory commission to implement the process that would start functioning when the parties agree. The presence of an international witness at the negotiating table was accepted, that is, Dr. Emilio Figuereda Planchard and his teams of advisers, whose tasks we emphasize as highly positive in the progress of the conversations.

5. The second round of talks this year has been devoted to the cease-fire and cessation of hostilities issue.

The contents of the debates on this issue are set out in a comparison chart that forms part of this document.

6. We, the parties, consider highly positive the creation—by the government—of the Advisory Commission on Public Order in which the nation's different political forces participate, given its important and timely contributions to the process. The continuation of its tasks are considered vital to the process.

7. We also underline the interest of the nation's private sector in contributing with its cooperation to the ongoing process and the efforts of which the government has endeavored to channel through the confirmed National Committee of Reinsertion.

8. Notwithstanding, the differences between the parties with regard to the National Constituent Assembly's integration and the final result of its task, they do point out that the Assembly did contribute with actions that in the future could be useful in the search for peace, such as the favorable political climate and the special peace districts.

9. Meanwhile, the government, in autonomous fashion, has offered, within the framework of a negotiated peace formula, to present before the National Congress the Second Protocol of Geneva for its approval and subsequent ratification by Colombia.

10. The statements made by the CNGSB that it does not intend to attack political leaders and civilians and that it rejects such actions in practice and its decision to announce the suspension of attacks on the electricity infrastructure and gas pipelines and multi-purpose pipelines are important steps in the creation of a better atmosphere at the negotiations.

11. The factors mentioned here have contributed to the creation of a favorable environment that must be maintained and improved to reach the political solutions for which we are aiming.

12. The negotiating commissions have agreed to call a recess to make the necessary consultations and hope that an atmosphere leading to the resumption of the talks, which will resume in Caracas on 1 February 1992 at the latest, with the prior approval of the Venezuelan Government, will be maintained.

The government confirms that it will grant the same guarantees to the CNGSB commission to move about as on previous occasions.

13. The parties reiterate their gratitude to the Venezuelan Government and people for the generous hospitality

they have shown to the delegations, which stands as a valuable contribution to peace in Colombia.

Rebel Leader on End to Conflict

PA1711204991 Madrid EFE Spanish 0040 GMT 17 Nov 91

[Text] San Jose, 16 Nov (EFE)—The Simon Bolivar National Guerrilla Coordinating Board (CNGSB), comprised of three Colombian guerrilla groups, said on 16 November in San Jose that the way to end the conflict in Colombia is not "by surrendering," as the 19 April Movement (M-19) did almost two years ago.

CNGSB Leader Alfonso Cano, who is a member of the dialogue commission that negotiated with delegates of the Colombian Government in Caracas until 10 November, said that the dialogue is directed at ending the causes of the conflict that originated more than 40 years ago.

Cano made the statement following the inauguration of a meeting called "Colombia: Path to Peace," which is being held in Costa Rica from 16 to 18 November and is sponsored by former Costa Rican President Oscar Arias and the Colombian Center of High Studies for Human Welfare and Peace [Centro Colombiano de Altos Estudios para el Bienestar Humano y la Paz]

According to Cano, M-19's incorporation into Colombian political life did not change the situation of social injustice, and repression and disappearances have continued. Peace must be based on a concerted agreement.

"The M-19 (now 19 April Movement Democratic Alliance) demobilized and nothing happened," Cano added, ruling out any possibility that the CNGSB, composed of the Revolutionary Armed Forces of Colombia (FARC), the Army for National Liberation (ELN), and the Popular Liberation Army (EPL) will follow suit.

He added that the meeting in Costa Rica, in which representatives from various Colombian nongovernmental organizations are also participating, can contribute to shedding "light on Colombia's basic problems."

Cano described the Colombian situation as "explosive" due to the liberalization policy promoted by President Cesar Gaviria.

FARC Commander Pablo Catatumbo, also a member of the dialogue commission, said that 197 murders have been reported so far this year. During the past five years approximately 2,500 political leaders have been killed, 2,000 of which belong to the Patriotic Union, another rebel group that surrendered its weapons in 1986.

At the opening of the meeting, former Costa Rican President Oscar Arias, a 1987 Nobel Peace laureate, invited the Colombian guerrillas to persist in the quest for peace, recalling the efforts being made in Central America since 1987.

"This meeting has been called under terms that do not press or commit its participants. The fact that it was possible shows that there is willingness to participate in a dialogue, which necessarily will yield positive results in favor of peace," Arias added.

During the conference, Colombian and Costa Rican representatives will review subjects such as human rights, foreign debt, and Colombia's energy and oil policy.

Invitation to Red Cross Rejected

PA1711220191 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 0000 GMT 14 Nov 91

[Text] The Simon Bolivar National Guerrilla Coordinating Board [CNGSB] on 14 November disclosed a communique reinviting the Red Cross to visit rebel camps on the various subversive fronts.

The government has denounced this invitation, in spite of its humanitarian surface.

Spokesmen have declared the official position on this issue. The government views as a trap the unilateral invitation the CNGSB issued the Red Cross to visit Revolutionary Armed Forces of Colombia [FARC] camps so that it can assist soldiers captured by the guerrillas.

Official spokesmen said the only valid assistance those soldiers can receive is to be released, as a group of policemen was released. The spokesmen claim those soldiers are not prisoners of war but kidnapped persons captured while they were dressed as civilians and conducting themselves as such.

Officials spokesmen contend that the guerrillas will not let the Red Cross see all the kidnapped people nor the real conditions under which they are held. By visiting them, though, the Red Cross would be giving the guerrillas the same treatment awarded a belligerent state, which is the true objective of the guerrilla offer, the government spokesmen believe.

FARC wants to be treated as a state.

UN Mediation in Conflict Ruled Out

PA1711232491 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 17 Nov 91

[Text] Santa Fe de Bogota—The Colombian Government has ruled out the possibility of eventual UN mediation in its dialogue with the Simon Bolivar National Guerrilla Coordinating Board [CNGSB].

This was stated by former Foreign Minister Luis Fernando Jaramillo, Colombia's new ambassador to the United Nations. Jaramillo said the importance of the UN role in processes like that of El Salvador cannot be doubted, but he argued that the possibility of finding a bilateral solution to the armed conflict in Colombia is excellent.

I refuse to believe the CNGSB will not heed the call of the Colombian people for peace, the ambassador said.

Jaramillo praised the work being carried by the United Nations, where he will function as Colombia's diplomatic representative. He said that following the Persian Gulf War and the end of the Cold War, the United Nations has recovered the importance it deserves. He noted that he will continue promoting Colombia's economic and cultural presence from that forum.

19 April Movement Makes Structural Changes

PA1611040891 Santa Fe de Bogota EL TIEMPO in Spanish 8 Nov 91 p 8-A

[Text] The 19 April Movement Democratic Alliance (AD M-19) has introduced several changes in its structure, including a National Executive Committee made up of 20 people, four vice presidents, and six secretariats. The changes were made in order for the movement to become an organized political movement. This was announced on 7 November by Antonio Navarro Wolff, who was elected president of the organization.

Navarro Wolff—who was accompanied by Pedro Bonnet, Angelino Garzon, Rafael Vergara, Adalberto Carvajal, and Gerardo Ardila—said that the purpose of the shuffle is to make the alliance a permanent political force.

He announced that the AD M-19 will submit 30 draft bills to the new congress. The drafts will cover democracy, integration, and social justice. He stated that some of the drafts will revolve around the issue of land policy. Others will introduce substantial changes into the election system so as to correct faults such as those that occurred in the Atlantic coastal regions.

Regarding the ideological aspect of the AD M-19, he stressed that the movement has no intentions of aligning with any European program.

The party's new political-administrative structure is as follows:

Antonio Navarro Wolff is the president. The vice presidents are: Rosemberg Pabon, in charge of political issues; Angelino Garzon, in charge of coordination; Pedro Bonnet in charge of finances; and Vera Grabe, in charge of parliamentary issues. The new secretaries are: Rafael Vergara, for international affairs; Abel Rodriguez and Adalberto Carvajal, for training and programs; Gloria Quinceno, for women, youth and culture; Gerardo Ardila and Rodolfo Hernandez, for social matters; and Otti Patino, Carlos Franco, and Valentin Gonzalez, for matters concerning the reinstatement of M-19 members into civilian life.

Movement Declares State of Emergency

PA1811013991 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 17 Nov 91

[Text] Santa Fe de Bogota—The Hope, Peace, and Liberty Movement has charged that more than 50 of its members have been killed in the past 30 days. Alvaro Villareal, a spokesman for this group, which now forms part of the 19 April Movement Democratic Alliance, said the group's members have declared a state of emergency because of concerns for their security.

Peru

President Interviewed on Nation's Problems

HK1811051191 Hong Kong SOUTH CHINA MORNING POST in English 18 Nov 91 p 19

[By Richard Vines]

[Text] Four days before Peruvian President Alberto Fujimori left Lima to visit Southeast Asia, guerillas fired rocket-propelled grenades at the presidential palace. It was reported that 50 people had died in a fresh wave of the political violence that has cost 15,000 lives over the past decade.

Mr. Fujimori's life is constantly at risk, but anyone expecting to see a fearful and harassed President during his visit to Hong Kong at the weekend would have been surprised. With a genuine smile and ready wit, the relaxed Peruvian President charmed everyone who came into contact with him, and won remarkably warm and persistent applause for a speech to the Asia Society.

In an interview with the SOUTH CHINA MORNING POST, Mr Fujimori fielded questions about his country's problems, speaking in accented English, and occasionally using Spanish to check with aides whether he was using the correct English word.

"I'm very happy," he said, looking back on a day that had included a helicopter tour of Hong Kong, a press conference at the Foreign Correspondents' Club and an interview with a news magazine, as well as the Asia Society luncheon.

It's difficult to imagine how a Peruvian Preident could be happy. When Mr. Fujimori took office on July 28, 1990, he inherited the fifth-largest foreign debt in Latin America, hyper-inflation and a vicious guerilla war fought by two different groups: the Maoist Sendero Luminoso (Shining Path) and the lesser-known pro-Cuban Movimento Revolucionario Tupac Amaru (MRTA).

He has also had to contend with a cholera epidemic that has cost hundreds of lives and drained precious resources. The cholera epidemic alone is estimated to have cost Peru U.S.$1 billion (about HK$7.78 billion), while Lima says the financial cost of the insurgency has been U.S.$18 billion.

Everywhere he goes, Mr. Fujimori, who is 53, is asked about the guerillas. Doesn't he get frustrated that everyone focuses on this aspect of Peruvian life?

"No, this is a concern of my government, a very important concern, and when the opportunity comes, I take the opportunity of explaining what we're doing, and what the terrorists are doing.

"I think that the position must be given, and this is the way we overcome the publicity of the terrorists," he says.

Human rights organisations have been highly critical of Lima's methods, accusing the military of murder and torture. In one incident earlier this month, gunmen suspected of belonging to the military attacked a barbecue party in Lima being held by suspected leftist sympathisers. Sixteen people died.

On Thursday [21 November], Amnesty International is scheduled to publish an open letter to Mr. Fujimori, detailing nearly 300 murders allegedly committed by the Peruvian authorities since his election.

Previously, Mr. Fujimori has accused human rights organisations of being the legal arm of the subversives. How does he intend to respond this time?

"Many of the deaths are due to the terrorist groups, but we don't deny there must be some human rights violations. Those 'disappearances' or killings will be thoroughly investigated. "Anyway, this number is much less than before. The momentum of the killings cannot be quickly stopped.

"But I will answer also to any international human rights groups that they must denounce also the hundreds and thousands of killings made by terrorist groups," he says.

At home, Mr Fujimori is known as "Chinito", or "Little Chinese", but he is of Japanese origin. His parents moved to Peru from Kumamoto Prefecture in 1934, four years before his birth, Fujimori's father worked as a tailor, in a flower shop and as a cotton picker, but the son went to university, graduated in agronomy engineering and went on to a highly successful academic career.

He says he only decided to enter politics a few months before last year's presidential election. He formed a movement called Cambio 90 (Change 90) and toured the country to collect the 150,000 signatures a prospective candidate requires to join the race. He ran a shoestring campaign, and came from nowhere to beat the novelist Mario Vargas Llosa in a run-off for the presidency.

Since then, Mr Fujimori has focused on reviving the country's economy, which was in a tailspin. Apart from forcing down the country's 3,000 percent annual inflation rate, he quickly resumed payments on the country's US$19 billion foreign debt and eliminated price subsidies. This led to a 3,100 percent rise in the price of petrol, while the price of food staples went up 20 to 30 times in price, sparking looting in which troops shot dead four people.

But Mr Fujimori has remained popular at home, and has won the respect of the international financial community, which is working with him to tackle Lima's U.S.$20 billion external debt.

Why did Mr Fujimori decide to go into politics when other people might have been looking forward to retirement?

"Because I wanted to change completely my country. I expect in my first two years to change the situation for investment, with new legislation and by fighting terrorists in a much more effective way. Then, in the last half of my government, there's a much more healthy economy," he says.

To this end, he has toured the world seeking investment. His two-day visit to Hong Kong came at the end of a whirlwind Southeast Asian tour that included Singapore, Malaysia and Thailand. It was his third overseas trip in six weeks, which indicates Mr. Fujimori is keeping up a hectic pace. So is he enjoying being president?

His face lights up. "I enjoy it very much. This is a challenge that I really love, and I won't change my job with any other presidency in a better country. I enjoy my job."

Identity Crisis Seen Within Governing Party

PY1611001491 Lima EL COMERCIO in Spanish 5 Nov 91 p A4

[From the "Without Confirmation" column by Alfonso Baella Tuesta]

[Text] The ruling party—if one may still call it that, because it seems as though not even President Fujimori is regarding it as such—is experiencing a very serious crisis of identity and organization. That fact is acknowledged by both party members and leaders. It seems as though there is a more profound truth behind the charges of an alleged debt by Senator Julian Bustamante to the Savings Fund and some other economic maneuvers; that is, there is a struggle for leadership positions within the party which, although it is still weak and small, has a certain degree of influence within Congress and the executive branch. Bustamante is reportedly with his back against the wall because he opposed some agreements on former President Garcia's case between a sector of Change 90 and the American Popular Revolutionary Alliance. It should be noted that Bustamante led jointly with [Change 90 Senator] Maximo San Roman the move to bring Garcia to court on charges of having obtained illegal profits. Bustamante and San Roman are now the targets of heavy fire from members of the Change 90 leadership.

Ministry Cancels Panamanians' Refugee Status

PA1611032991 Hamburg DPA in Spanish 0203 GMT 16 Nov 91

[Text] Lima, 15 Nov (DPA)—The Peruvian Foreign Ministry issued an official communique on 15 November cancelling the refugee status of three Panamanian citizens whose disappearance has caused problems between the two countries. The document said that Panamanian citizens Gonzalo Gonzalez, Heraclides Sucre, and Edgardo Lopez "have lost their status as political refugees because they failed to fulfill the obligations stipulated in international agreements and they have become fugitives of Peruvian justice."

The Foreign Ministry practically rendered official the thesis that Gonzalez and Lopez left Peru for Cuba and Ecuador, respectively, by stating that it asked those countries' governments to help find them.

The text distributed by ANDINA, a state-owned news agency, referred to Sucre and said: "The corresponding investigations are being carried out to establish any responsibility."

Sucre, Gonzalez, and Lopez—collaborators of deposed General Manuel Antonio Noriega—obtained asylum in Peru following the U.S. invasion of Panama. The Panamanians disappeared shortly afterward, to the annoyance of the Panamanian authorities, who requested their extradition because they were charged with participating in multiple murders.

Panama's anger toward Peru, expressed at various forums, recently provoked some friction and the Panamanian ambassador to Lima was recalled "for consultations."

France Contributes $15 Million to Support Group

PY1611015491 Lima EXPRESO in Spanish 7 Nov 91 p A12

[Text] Paris, 6 Nov. (AFP)—France and Peru signed a financial protocol on 6 November in which France donated 87 million French francs, the equivalent of $15 million, as the French participation in the Support Group. France announced its participation in August during a visit to the country by Economy and Finance Minister Carlos Bolona.

The protocol was signed by Peruvian Ambassador to France Hugo Palma and Denis Samuel-Lajeunesse, the French Treasury's chief of international affairs and Paris Club vice president. This is the first time France has signed a protocol of this type with Peru in a decade. France was the first European country to confirm its participation in the Support Group and is one of the first countries to actually disburse its contribution.

Bill Grants Pardon To Former Guerrillas

PA1711001991 Lima Global de Television Network in Spanish 0100 GMT 4 Nov 91

[Text] The Peruvian Government today approved a so-called pardon law for any person who decides to quit a terrorist group and surrender to the authorities.

Depending upon circumstances, the pardon law would grant a reduction in prison terms or an exception or lessening of charges. Other countries currently facing problems related to guerrilla violence and drug trafficking have initiated similar programs with surprising results.

Within the framework of the government's pacification strategy and Legislative Decree 748, any person who is willing to renounce guerrilla and terrorist activities and return once again to civilian life can do so with the guarantee that their human and civilian rights will be protected.

The decree will be implemented within the next 30 days and its provisions do not apply to the principal members of national and regional guerrilla leaders, heads of military units, or members of death squads. The procedures established by the decree are simple and expeditious.

One of the benefits offered by the decree to those who decide to surrender entails reducing the sentence by as much as two-thirds of the current legal minimum. It would apply in the following scenarios:

First case: Concerning those who voluntarily decide to break all ties with terrorist organizations and abstain from carrying out any type of violent activities, such persons must confess before the court or legal office duly stipulated by the law having participated in the terrorist acts for which he is charged.

Second case: When, during the period of investigation, a person freely confesses to having carried out or participated in activities stipulated by law as acts of terrorism and shows regret for having undertaken those acts.

Another of the benefits granted by the new decree relates to an exception to the penalty and would be granted in the following two cases:

First case: When someone who had been involved in terrorist activities is currently on trial or under police investigation decides to provide accurate information that leads to uncovering terrorist organizations, its respective operation, the identity of its leaders, principal members, and future operations.

Second case: When someone about to undertake a terrorist act decides not to carry it out, but instead proceeds to notify the proper authorities. The authorities acting on the information are then able to prevent the specific and further terrorist acts.

The third benefit granted by the pardon law refers to penalty reduction. That applies when someone who has

been tried and convicted of terrorism is already in prison. In that case, it is granted when the person provides accurate information that, after being evaluated by the authorities, results in discovering more terrorist cells, identifying their heads and main members, or uncovering future operations.

Shining Path Rebels Kill Huancayo, Jauja Mayors

PA1711214891 Hamburg DPA in Spanish 1622 GMT 17 Nov 91

[Text] Lima, 17 Nov (DPA)—It was reported on 17 November that two mayors were murdered in the presence of their families by alleged Shining Path terrorists, who entered their homes in Huancayo and Jauja, Junin Department, east of Lima.

In the city of Huancayo, a doctor at the Peruvian Institute of Social Security died when a powerful explosive device detonated. Five others were seriously wounded in the attack.

On the night of 15 November, after dynamiting three high tension electricity poles and causing a blackout, an armed rebel column located Mayor Gregorio Julian Sinchi of the ruling Change 90 party. After taking him outside, they shot and killed him in front of his wife and children.

Almost at the same time, in Pancam, Jauja Province, terrorists shot three times and killed in his home Mayor Erminio Artenales Vivanco.

In other subversive activities, Policeman Edgar Saavedra was killed in an attack against two police stations and several government buildings in Tarapoto, northeast of Lima.

Two policemen were killed and three are missing after a terrorist attack on 15 November in Pucara District, Cajamarca Department, North of Lima. That happened during an attack against a police station, from which the rebels took weapons, ammunition, and equipment. The two policemen were murdered after being put through a "people's trial" held on the town's main beach.

Claims Journalist's Murder

PA1711135091 Madrid EFE in Spanish 0145 GMT 17 Nov 91

[Text] Ayacucho, 16 Oct (EFE)— On 17 November the Maoist "Shining Path" group claimed responsibility for the murder of Peruvian journalist Cirilo Ore in Ayacucho on 27 October. "Shining Path" also threatened to murder five more reporters.

In leaflets handed out in several neighborhoods of Ayacucho early on the morning of 17 November, the Maoist band called Ore a "dog" and justified his murder with the argument that "it had the seal of class, because Ore served the reactionaries."

A few days before his death, Ore, the Lima newspaper EXPRESO's correspondent in Ayacucho, birthplace of "Shining Path," reported that "Shining Path" had suffered a bloody defeat by the Army and that many guerrillas were killed.

"Shining Path" denied the defeat and called it a fabrication of "servants of the fascist forces." The band also made death threats against five Ayacucho journalists, accusing them of being "agents" and "informers."

The threatened journalists are: Hugo Ned, EL COMERCIO and UPI correspondent; Alberto Lopez, EL NACIONAL correspondent; Ramiro Rivas of Radio Cora in Huantas Province; and Odilon Farfan of a local Ayacucho radio station.

The political violence that has undermined Peru since 1980 is a permanent threat to Peruvian journalists. Six reporters have been murdered in September and October 1991 alone.

The Peruvian Journalists Association has reported that 23 of the 32 press professionals who have been violently killed while carrying out their duties where from Ayacucho.

* Poll Gauges 'Distrust' Toward Institutions

92SM0077B Lima PERU ECONOMICO in Spanish Oct 91 p 15

[Text] APOYO recently carried out a poll in which Lima residents were asked the degree of trust in the country's most important institutions. Of the 13 institutions listed, only three generated more trust than distrust: the Church (85 percent trust it, 11 percent do not), the media (55 percent trust, 32 percent distrust), and the armed forces (47 percent trust, 42 percent distrust).

The Three Branches

With respect to the three branches of government, the one generating the least trust was the Assembly: 19 percent of those polled trust it as against 72 percent who distrust it. Twenty-two percent of those polled trust the Judicial branch, while 68 percent distrust it. In the case of the executive branch, the poll made a distinction between the president and the Council of Ministers: 26 percent trust the presidential institution as against 61 percent that do not, and in the case of the Council of Ministers, the citizenry's trust declines slightly (to 24 percent, compared to 60 percent who do not).

Unions

The two Unions listed in the poll were Confiep [National Confederation of Private Business] and the CGTP [General Confederation of Peruvian Workers]. In both cases, many more distrust the unions than trust them. In the CGTP's case, only 16 percent trust the institution (that is the second lowest in the entire poll), compared to 71 percent who distrust it, and 24 percent of the population trusts Confiep, with 59 percent distrusting it.

Other Institutions

The BCR [Central Reserve Bank] had the trust of 27 percent of those polled, against 58 percent who do not trust it. The IPSS [Peruvian Institute of Social Security] obtained a better rating: 32 percent trust it, 59 percent do not. The situation is similar for the National Police: 33 percent trust it, 61 percent do not. The municipal institution, for its part, generates trust in 34 percent of those polled, and distrust in 53 percent of the same.

The Wolf

Political parties inspire the least trust among citizens: 13 percent trust themt, 76 percent do not. An analysis by political sector indicates that those who least trust in these institutions are precisely those who are apolitical (9 percent), followed by those who place themselves on the right of the political spectrum (16 percent), followed by those at the center (19 percent), and finally those on the left of the spectrum (24 percent).

* Public Sector Reorganization To Continue

92SM0077C Lima EL COMERCIO in Spanish
24 Oct 91 p A1

[Text] The executive branch has established that by 15 December the institutional reorganization process will be definitively completed, as well as the counting of positions and surplus personnel in the public entities of the central government, regional governments, decentralized public institutions, development corporations, and special projects.

A supreme decree has also fixed a new incentive program for encouraging voluntary resignation among the aforementioned public servants, which will make available to the workers as extra pay 12 months of monthly compensation from that date. The previous extra pay was equivalent to ten months.

Those eligible for the new incentive program will be workers who do not hold supervisory, professional, technical, or auxiliary duties, and whose participation will be decided upon by the entities employing these workers. They will have until 30 November to approve their reorganization and define their structures of indispensable duties and positions, with the support of the National Public Administration Institute (INAP).

* Preferential Treatment on Foodstuffs Suspended

92SM0077D Lima EL COMERCIO in Spanish
23 Oct 91 p A3

[Text] In order to protect domestic production, customs preferences on the import of some food products, which Peru had granted through trade concessions, have been temporarily suspended until December 1992.

The measure, approved by a supreme decree published yesterday in the official daily EL PERUANO, includes beef, frozen tongue and liver, powdered milk, dried butter, various types of cheese, hard wheat, hard yellow corn, rice, sorghum, wheat flour, semolina wheat, soy oil, refined fats and oils, cane and beet sugar, and edible pastes.

According to the decree, it is necessary to suspend the customs preferences for these imports in view of the competition that is damaging domestic production.

It adds that the domestic agricultural sector is in a state of emergency after having suffered a severe drought throughout the entire national territory.

Furthermore, it adds, agriculture has been significantly damaged by the overvaluation of the national currency, which does not reflect an adequate balance between domestic and foreign costs.

Additionally, says the supreme decree, producers of beef products located in the sierra are seriously affected by deficient productive infrastructure and services.

* APRA Party Moves To Oppose Administration

92SM0077A Lima CARETAS in Spanish
28 Oct 91 pp 14-15, 83

[Text] Three accusations of unconstitutionality before the TGC [Court of Constitutional Guarantees], which affect recent economic reforms, and preparations for a requested hearing with Minister of Economics Carlos Bolona, reveal APRA's [American Popular Revolutionary Alliance] new state of mind with respect to Alberto Fujimori's government, to whose triumph APRA contributed decisively in 1990. The problem is that on this issue, APRA depends upon the leftists and on some isolated flatlanders from other parties.

"Now the opposition will find out what APRA really is," APRA assemblyman Daniel Vera Ballon said last week, after just finishing registering a claim of unconstitutionality against legislative decree 651, which establishes free movement of public passenger transport prices, on the grounds that it infringes on Article 254 of the Constitution which assigns the right to regulate collective transport, traffic, and transit to municipalities.

This is not the only accusation presented before the TGC. Last week APRA Senator Benigno Chirinos also accused the Court headquarters in Arequipa of two other unconstitutional acts, conflicting with the law to promote private investment in State enterprises (DL674) and against dissolving the compensation committee and eliminating the labor committees.

Because of the support that the Government party, Change 90, gave to the constitutional accusation against former president Alan Garcia, APRA's steps toward total opposition to President Fujimori's government was something that was anticipated (CARETAS 1182).

Also previously expected was the perhaps biased support APRA gave to Change 90 in nominating the committee presidents, particularly in the Assembly.

In two of these in particular, APRA's regret at that support was evident last week. On the economy, Change 90 President Hernan Lazo Hilario was severely criticized for not adhering to the Assembly's orders in the invitation made to Economics Minister Carlos Bolona, who should have reported two weeks ago (this will be the third) on the legal proposals for the debt and financing the 1992 budget.

And on foreign relations, APRA members have not ceased attacking President Victor Paredes for not having backed the Assembly when Chancellor Carlos Torres y Torres Lara named a parliamentary delegation, formed exclusively of senators, to visit the Rio Protocol member countries.

APRA also decided last week to support populist Edmundo del Aguila's motion for the traveling Economics Minister to present himself to report on the negotiations with the World Bank and the Paris Club before deciding on the requested expansion of powers to legislate in tax matters.

It could be a heated session for the hearings they are specifically preparing for him on the issue of the legislative decrees, several of which, according to his APRA critics, skirt the Constitution and exceed the limits the Assembly granted him. The hearings could be held as a consequence of the debate (27 signatures are sufficient) for the request, and the approval is for a third of those present and can include the whole Cabinet.

APRA now remembers that it was thanks to them that the motion to censure Education Minister Efrain Orbegozo, which other opposition groups had called for, was not successful, when the SUTEP [Trade Union of Education Workers] strike reached 100 days.

It will be difficult for a censure against Minister Bolona to be successful when he returns in triumph from Asia, or against Torres y Torres Lara when Ecuador continues to be an issue, but the immediate objective could be the refusal of broader legislative powers.

And that is the crux of the matter, with the staunch opposition dedicating itself to weighing APRA (with the weight of being the first majority in an Assembly of minorities) against the work of the Government which, for better or for worse, is pulling us out of the hole.

Denying the expanded powers would, in effect, impede the tax reform necessary for program continuation and budget viability. Also, the accusations of unconstitutionality are meant to correct the Government's work, rather than to pretend to live with obsolete situations that various legislative decrees carrying Bolona's signature had seemed to overcome.

It is a dangerous road since, when a government without a majority in the assembly has been blocked by the opposition (as the cases of Bustamante and Belaunde's first government), it has ended in a coup, a fact that APRA, which actively opposed those governments, should not forget.

It is also the Government's responsibility to maintain an impartial attitude with regard to the case of the former president constitutionally accused by the Senate, which he has directly damaged with the strange manner in which SUNAT [National Superintendency of Tax Administration] (a state organization) monitored his taxes, or with the incredible zig-zagging in the Cabinet, which exonerated him, of the letter from the company that manufactures the Mirage, and which did not arrive in the hands of the Assembly and the investigatory committees in time.

Uruguay

Government Reports $12 Million 1991 Trade Deficit

PY1611205091 Montevideo Radio El Espectador Network in Spanish 0900 GMT 16 Nov 91

[Text] In accordance with official figures released in recent hours, the Uruguayan trade balance registered a $12.238 million deficit from January through October 1991. During the same period of 1990, the country had a $299.562 million surplus in its trade balance.

The deficit was caused by a 2.6 percent drop in exports and a 26.2 increase in imports. Uruguayan exports totaled $1,320,355,000 as of October 1991. During the same period of 1990, exports totaled $1,355,303,000. Imports increased by more than $1 billion in 1990 and by more $1.332 billion this year.

The drop in beef exports caused the largest reduction in Uruguayan foreign sales. Beef exports dropped 34 percent and wool exports 21 percent.

Uruguayan imports from American countries increased 34 percent, namely from Argentina, Brazil, and the United States. A major import item from non-American countries is oil, which was purchased from Nigeria and Iran.

Economy Minister Braga Interviewed on Policies

PY1611214891 Montevideo BUSQUEDA in Spanish 7 Nov 91 p 7

[Interview with Finance Minister Enrique Braga by unidentified BUSQUEDA reporter; place and date not given]

[Text] Economy and Finance Minister Enrique Braga has reasserted that the economic commitment announced in his 21 August speech will be complied with. He said that the de-indexation of public servants' salary will continue to be implemented—as well as in the decentralized institutions—and that "mistakes" made in the private sector in which the government has no participation will not be ratified.

Braga told BUSQUEDA that the World Bank will cooperate with the government to reduce public expenditures. He also said that for the time being the taxes and customs tariffs established in the fiscal adjustment law, which is no longer in effect, will not be reinstated. He reiterated that those who promote a new debt refinancing project will have to propose the corresponding refinancing plan.

[BUSQUEDA] Has the economic team reached a new commitment or agreement?

[Braga] No. We have to comply with the commitment announced on 21 August. Everything is included in this commitment.

[BUSQUEDA] According to press sources there are two schools of thought within the economic team: the radical one that advocates the shock policy and that which advocates the adoption of gradual measures. What can you tell us about them?

[Braga] These are rumors disseminated by the press.

[BUSQUEDA] But some attitudes or statements hint at the impression...

[Braga] Well, if you go by impressions. [Central Bank President] Ramon Dias gives an opinion and I give another one, but we do what we have to do. He gives an opinion and so I do. They are just opinions.

[BUSQUEDA] You said that your speech delivered at the ACDE [Christian Association of Business Executives] in August marked the guidelines of the economic policy, but those general guidelines demand concrete decisions.

[Braga] These decisions have been made since 1 September.

[BUSQUEDA] With tariff reductions.

[Braga] With tariff reductions and with the salary de-indexation. They were not comprehensive measures because we had commitments to public enterprise employees. The opening process has already been announced. We have taken some steps and we will take others at the appropriate time. The reference prices expired on 3 November and a few were renewed.

[BUSQUEDA] Is there a project to discard the policy to establish exchange rate bands and the intervention of the Central Bank supporting the dollar exchange rate?

[Braga] There is not an immediate project or a decision in this regard. This does not mean that we will not consider the matter in the medium or long term. But no decision has been made on the guideline to be followed either. If the current situation remains unchanged, we will maintain the existing scheme.

[BUSQUEDA] In your 21 August speech, you stated that the government's economic policy is based on three main pillars: de-indexation, flexibility—especially through the open policy—and reinforcement of the fiscal adjustment. Concerning de-indexation, what are the measures to be adopted to make progress in this area?

[Braga] De-indexation in the private sector falls under its responsibility. We already have implemented the de-indexation policy for the public sector with the salary readjustments, and we will continue to do so. We have adopted the appropriate measures with the tariffs and with ANCAP [National Administration of Fuels, Alcohol and Portland Cement], and we will continue to reinforce them. We warn the private sector that we will not reaffirm their mistakes, but we admit that they have the right to make mistakes.

[BUSQUEDA] Didn't the simultaneous implementation of the custom tariffs reductions and the reference prices somewhat neutralize the flexibility through the economic opening?

[Braga] That is what the newspapers reported. Is there any evidence on the increase of the reference prices? No decision has been made to increase them.

[BUSQUEDA] The fiscal deficit was the third significant point that you mentioned. In recent statements, former Finance Under Secretary Javier de Haedo said that taxes should not be increased but that expenditures should be reduced. Is there any project in this regard?

[Braga] We are awaiting the results of a study designed to reinforce the measures to reduce expenditures. It is expected to conclude in a few days. We also are expecting the arrival of a World Bank mission that will help us meet this objective. Despite the objective of reducing expenditures, this does not mean that we will not resort to some sources to obtain funds for some determined expenditures.

[BUSQUEDA] Some taxes created by the Fiscal Adjustment Law are not being paid, causing a reduction in tax revenues. Is there any project to replace these taxes?

[Braga] We will not do so, at least in principle.

[BUSQUEDA] Regarding the refinancing that is being promoted by some groups in Congress, what are the limitations?

[Braga] We believe that it has to reach the sectors of society that really need it, because that refinancing will have a cost that will have to be supported by the community as a whole. The promoters will have to find adequate sources for the financing.

[BUSQUEDA] In your August address you indicated that the external framework could lead to modifications in the economic program. Are there any changes in the evolution of the Argentine and Brazilian economies that would make these modifications necessary?

[Braga] Even though it is true that there have been modifications in Brazil's situation, the position has varied very little in relation to 21 August.

[BUSQUEDA] Will there be any new advances in the opening up of the economy?

[Braga] There will be new advances, and, to a certain extent, we already have taken some steps. For example, in the vehicle sector we have reduced the compensatory exports, and there will be new measures in the short term.

[BUSQUEDA] Is the goal of achieving a maximum tariff of 15 percent in the long term being maintained?

[Braga] We believe that the ideal level should be between 15 and 20 percent, but we must not forget that we are in the process of creating Mercosur [Common Market of the South], which determines a common external tariff and we cannot make final unilateral decisions.

Navy Purchases Six Former GDR Navy Ships

PY1511221891 Montevideo EL PAIS in Spanish 8 Nov 91 p 10

[Text] Bonn, 7 Nov (ANSA)—Navy Commander-in-Chief James Coates on 7 November confirmed here the purchase of six ships from the former GDR Navy for approximately $1.219 million.

Speaking on the phone with ANSA, Coates noted that the Uruguayan Navy had promoted the negotiations because "it seeks to renew its fleet with ships in good condition and at low cost, as any developing country's navy would do."

Coates said Uruguay purchased six ships—four minesweepers, one tugboat, and one rescue vessel—from the former GDR.

The vessels weigh 500 metric tons and were built 15 years ago. They are 57 meters long and 7.5 meters wide.

Coates said the negotiations to ask for the sale permission from the Germany Government began more than one year ago, but they were suspended because of the Persian Gulf war. The agreement, signed one month ago, states that payments will be made every six months and that the transaction will conclude in two years.

A group of 140 Uruguayan crewmen went to Germany one month ago to become familiar with the vessels' operations.

Venezuela

'Offensive' Against U.S. Restrictions Launched

PA1611030691 Mexico City NOTIMEX in Spanish 1919 GMT 13 Nov 91

[Text] Caracas, 13 Nov (NOTIMEX)—The Venezuelan Government has announced a diplomatic and legal offensive to counter the protectionist demands and restrictions against its exports to the United States, the country's primary trading partner.

Miguel Rodriguez, president of the Foreign Trade Institute (ICE), said: "Our foremost trading partner is applying many restrictions, and the lawsuits against tuna, steel, aluminum, and cement exports abound."

Venezuela will submit to the GATT an international agreement that compels the United States to enforce trade competition laws in an equitable way, it was reported by the media. Venezuela will also take actions in U.S. courts and will lobby with U.S. Senators.

According to ICE statistics, Venezuelan exports to the United States reached the $867-million mark in 1990 and imports from that country reached the $285-million mark. Venezuela exported $3.5 billion during that same period, and the oil sector contributed more than 80 percent.

The Ministry of Development reported on 11 November that 50 percent of Venezuela's exports face obstacles and customs restrictions abroad, particularly in Europe and the United States.

Rodriguez recalled that the aluminum and steel enterprises "have had to spend large sums of money to pay for their legal defense," in the United States. He added that defending the country from lawsuits for unfair competition or dumping costs $1 million.

Washington imposed an embargo on Venezuelan tuna exports in March after ecologists reported the incidental capture of dolphins linked to the fishing of this species. A similar sanction was enforced against Mexico late in 1990.

A group of 10 U.S. companies filed in October a dumping lawsuit against Venezuelan steel pipe exports. ICE said then that the action represented the implementation of protectionist laws because it considered comparative advantages of the steel industry as subsidies—particularly the low cost of electricity in Venezuela.

Two cement companies also face an investigation by the U.S. Trade Department to determine if their exports are subsidized and sold below international prices.

Venezuela loses approximately $300 million per year, half of its non-oil exports, due to the tuna embargo and the current or pending lawsuits in the United States, according to the ICE.

Officials are also afraid that Venezuela's eventual refusal to sign with Washington a renewal of the agreement on voluntary restriction of steel exports will generate a "landslide of lawsuits" against the sector. The agreement, signed in 1989, established two export quotas for Venezuela: 368,097 tons between 1 October 1989 and 31 December 1990 and 339,096 tons between 1 January 1991 and 31 March 1992. The ICE said that the agreement is contrary to the GATT norms and the atmosphere of openness in world trade.

Rodriguez gave a speech on 12 November during a meeting between businessmen from Korea and the five

Andean countries. He emphasized that Venezuela had an average tariff of 35 percent in 1989 and it is currently 9 percent.

Temporary Asylum Granted to 100 Haitians

PA1611232891 Mexico City NOTIMEX in Spanish 0216 GMT 16 Nov 91

[Text] Caracas, 15 Nov (NOTIMEX)—According to a communique issued today, Venezuela has granted temporary asylum to 100 people who fled from Haiti due to political persecution by the provisional government since the 30 September military coup d'etat.

The decision affects a group of 668 Haitians who were rescued by the U.S. Coast Guard as they tried to escape from this Caribbean nation, the Venezuelan Presidency communique asserts.

After receiving a request from the UN High Commissioner for Refugees, the governments of the United States, Belize, Honduras, and the Dominican Republic granted temporary asylum to the rest of the group.

Toppled Haitian President Jean-Bertrand Aristide, who arrived in Venezuela through the efforts of France, the United States, and Venezuela, has established his temporary residence in Caracas since 30 September.

Bomb Thrown To Repudiate Telephone Privatization

PA1611045491 Paris AFP in Spanish 0423 GMT 16 Nov 91

[Text] Barquisimeto, Venezuela, 15 Nov (AFP)—Unidentified persons in a speeding vehicle hurled a bomb which destroyed the walls and furniture of the telephone office in this city, some 350 km southwest of Caracas, hours before the privatization of the National Telephone Company of Venezuela (CANTV) was effective, authorities reported tonight.

A self-styled Command for National Sovereignty (Comando Para La Soverania Nacional) claimed credit for the attack in messages to the Barquisimeto media, the local news agency INNAC reported.

The persons responsible for the attack noted that the action is part of "a series of sabotage operations planned to repudiate the manner in which the privatization of the CANTV is being carried out," the news agency reported.

The nationalization of CANTV was rejected by the Movement for Socialism (MAS), the small leftist party R Cause [Radical Cause]—established in Bolivar State by former labor leader Andres Velasquez, Social Democratic deputy Luis Matos Azocar, and economic sectors of the country linked with communications.

Jose Francisco Chavez, commanding officer of the DISIP [Directorate of Intelligence and Prevention Services], reported that the bomb was placed in a briefcase, which also contained leaflets that repudiated the privatization of the telephone company.

Meanwhile, students demonstrated in Maracay, 60 km west of Caracas to protest against the hike in the price of gasoline and the manner in which their actions are being suppressed. The students set a CANTV vehicle on fire during these disturbances, where two policemen were injured and one student—who was carrying a Molotov cocktail—was arrested.

The CANTV bid was awarded on 15 November to the GTE Consortium, that is made up of the U.S. GTE Corporation and ATT International Inc., the International Telephone Company of Spain, and the Caracas Electricity Company and the Business Investment Consortium of Venezuela.

This consortium offered $1.885 billion for 40 percent of the shares of CANTV, while another group made up of Bell Atlantic International, BCE Telecom International Inc, and the Venezuelan Banpro Investments, the Finalven Financing Society, and the Summa Corporation offered $1.407 billion.

When the bids were being opened in Caracas there was a quarrel with some deputies from R Cause, who tried to stop the bid award ceremony.

* Pinerua Ordaz Announces Presidential Candidacy

92SM0071A Caracas EL DIARIO DE CARACAS in Spanish 9 Oct 91 p 25

[Article by Hernan Lugo; first paragraph is introduction]

[Text] The controversial leader came out to announce his presidential candidacy. Pinerua Ordaz will have a "huge volunteer network" to take him to Miraflores. He said his strategy is not the same as Rafael Caldera's, and he protested the actions of people who finance their campaigns using money from the public coffers.

The table the reporters were using for writing their notes had something in common with Luis Pinerua Ordaz: it shook. The table because it had a broken leg, while Pinerua Ordaz's voice and gestures trembled from his emotion as he announced his "firm and irrevocable decision to seek the Democratic Action [AD] presidential nomination."

Pinerua stated his conditions before beginning a new election campaign which will divide AD into Ferminists and Pinerua supporters. "The CEN [National Executive Committee] must be more impartial and support AD's official candidate, for the Party structure is supposed to carry out official Party agreements and not intervene in the decisions and personal aspirations of Party leaders, as has just happened," said Luis Pinerua Ordaz in a press conference held in the "old CEN."

He said his presidential aspirations will be successful "if the candidate is selected directly by Party activists and supporters, as stated in the current bylaws, and with complete openness and honesty; and also depending upon AD's election platform."

"I am confident," he added," that good judgment will prevail to avert fraud in this election process."

In an allusion to his closest rival, Pinerua Ordaz believes: "It is unacceptable for leaders to use their official positions and public resources to gain publicity and attempt to win the presidential nomination. When there are enough resources to conduct an early PR campaign, those resources can also be used to manipulate and distort the polls" in favor of a particular candidate.

The candidate for the nomination denied having—right now—financial support from any sector. He said his campaign finances will consist of contributions from activists and friends, "and will always stay within a natural margin of modesty." An organization similar to a volunteer network—a system consisting of people who share the AD leader's way of thinking—will handle the collection and investment of campaign funds, operating in complete openness.

This volunteer network will work outside the party structure but will respect AD's regulations and bylaws. Participation will be free and its basic goal, says Pinerua, would be "to guarantee, first my selection as a candidate, and then my victory as president of Venezuela."

Luis Pinerua Ordaz, accompanied by a number of AD members, said his strategy to win outside in order to apply pressure inside, was not the same as Rafael Caldera's strategy, for he had designed his own strategy, as he expects the COPEI [Social Christian Party] leader will also do. "My strategy is not to abuse the future party structure."

"Public Divestiture of Resources"

The formerly "correct" candidate wants, "in respect for public opinion, which is disgusted with internal partisan squabbling," the new Democratic Action officials to publicly renounce their resources.

"My words do not have the power to wash the recent election process free from stains. The irregularities in the preparation of voters' lists and the National Convention's vote counts are by no means a model for honest elections."

For that reason, he proposed reorganizing the CEIN [National Internal Election Committee] "to erase the negative image which its present members have given it" and to learn from mistakes, doing what is right, he reflected as the table continued to wobble.

Now free and at ease, Luis Pinerua Ordaz continued: "I am remaining in the CEN as a life member to fight against corruption in the public administration and in the Party; for the internal democratization of AD and to eradicate Stalinist and sterile disciplinary postures; to win approval of the Party Law and the municipal election; to improve the Judiciary; and improve our quality of life."

* Businessmen Analyze Contraband Increase

92SM0071B Caracas EL DIARIO DE CARACAS in Spanish 11 Oct 91 p 17

[Article by Elizabeth Davila; first sentence is introduction]

[Text] Venezuela's top industry and business representatives, meeting in a forum sponsored by the AVE [Venezuelan Executives Association] to discuss the issue of illegal imports, expressed their disappointment about the little progress the Presidential Commission on Contraband Control has made toward solving this problem.

So far in 1991, 165 million bolivars' worth of illegal merchandise has entered Venezuela, according to National Guard estimates.

During the second quarter of 1991, 97 million bolivars were collected as customs violations, fines, and confiscated goods, according to information provided by Armed Forces of National Cooperation General Jose Cuevas, who spoke at the AVE forum on contraband.

The categories primarily affected by this illegal competition are: foods, manufactured textile goods, footwear, toys, and household electronic appliances. The illegal points of entry most often used are Zulia, Tachira, and Falcon. La Guaira is "the favorite spot" of customs violators.

Contraband clothing is most often brought in through underbilling, according to figures provided by Luis Vicente Leon, the president of Cavediv [expansion not given]. To date 13,315,558 kilos of clothing have been brought into Venezuela, with a [declared] value of 114,318,208 bolivars.

"According to the import declarations, one kg of imported clothing has come in at a price of $8.59. This includes a complete set of men's clothes. This is completely absurd, as six pieces of low-quality clothing would never cost that little anywhere in the world," said Leon.

Another complaint voiced by the president of the clothing industry association indicates that this avalanche of illegal imports coming in through underbilling may even increase if applications such as those filed in Nueva Esparta, where they are seeking an increase in exemptions for clothing purchases of up to $3,000, are approved.

"That would be ridiculous; the United States, the country most open to merchandise imports, only allows a maximum of $2,200. If that application is approved, Venezuela's quota would be 36.6 percent higher than what the United States allows the U.S. Virgin Islands," added Leon.

Cigarettes, liquor, and foods brought in as contraband are the items potentially most damaging to the consumer, as they are ingested directly without any sanitary or quality controls, said the speakers.

Adulterated Liquor and Cigarettes

Laboratory tests have proven that contraband cigarettes contain a substance that may encourage the consumption of stronger substances. It is not known whether this effect is the result of deterioration or is caused by additives.

Illegal imported liquor is adulterated and of poorer quality than liquor produced in Venezuela. In other countries quality controls apply only to domestic consumption, not to exports.

Contraband cigarettes evade 70 percent of the taxes and customs duties; they are popular because of their low export prices.

These contraband cigarettes are not international brands which are not made in Venezuela, but the same brand produced here. They are exported and then smuggled back across the border, "in complicity with customs agents," it was stated.

A carton of cigarettes now costs about $105 [as published]. Tabacalera Nacional [National Tobacco Company] and Cigarrera Bigott [Bigott Cigarettes], which were represented at the forum, reported that the export price would have to be increased 20 percent and customs checks intensified to prevent the entry of contraband cigarettes.

The Tabacalera Nacional representatives explained that while domestic prices have risen several times during the past year, the export price has only been increased once. That 20 percent rise in export prices would not affect the competitiveness of Venezuelan cigarettes abroad.

Luis Vicente Leon observed that reducing tariffs to zero percent, as has been proposed to limit contraband, is no solution, for there will continue to be a tariff: the commission charged to allow merchandise to enter.

"The tariff is a flexible mechanism which should be used to promote the nation's industrialization, not to control illegal imports," said Leon.

He added that industry feels frustrated by the slowness with which the Presidential Commission on Contraband and Customs Control is working, while contraband continues to mount.

Jose Luis Santoro, the president of Fedeindustria [Federation of Industry], suggested some specific solutions for the contraband problem, such as a complete modernization of the customs system, backed up by a strong enforcement campaign against people who engage in this activity and those who sell these products. This would require increased resources for the National Guard and the passage of appropriate legislation to punish guilty persons effectively.

"It is also essential to have an industrial policy promoting improvements in the competitiveness of Venezuelan-made products, and while this policy is working to attain this objective, we need to maintain a highly competitive exchange rate. We also need to begin a public relations campaign to make consumers aware of this problem," stated Santoro.